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**AIR FORCE PROJECTION FORCES
AVIATION PROGRAMS AND
CAPABILITIES RELATED TO THE
2015 PRESIDENT'S BUDGET REQUEST**

HEARING

BEFORE THE

SUBCOMMITTEE ON SEAPOWER AND
PROJECTION FORCES

OF THE

COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES

ONE HUNDRED THIRTEENTH CONGRESS

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CONTENTS

CHRONOLOGICAL LIST OF HEARINGS

2014

	Page
HEARING:	
Wednesday, April 2, 2014, Air Force Projection Forces Aviation Programs and Capabilities Related to the 2015 President's Budget Request	1
APPENDIX:	
Wednesday, April 2, 2014	27

WEDNESDAY, APRIL 2, 2014

AIR FORCE PROJECTION FORCES AVIATION PROGRAMS AND CAPABILITIES RELATED TO THE 2015 PRESIDENT'S BUDGET REQUEST

STATEMENTS PRESENTED BY MEMBERS OF CONGRESS

Forbes, Hon. J. Randy, a Representative from Virginia, Chairman, Subcommittee on Seapower and Projection Forces	1
McIntyre, Hon. Mike, a Representative from North Carolina, Ranking Member, Subcommittee on Seapower and Projection Forces	2

WITNESSES

Jones, Maj Gen James J., USAF, Assistant Deputy Chief of Staff for Operations, Plans and Requirements, United States Air Force	5
LaPlante, Dr. William A., Assistant Secretary of the Air Force for Acquisition, Department of the Air Force; accompanied by Maj Gen John F. Thompson, USAF, Program Executive Officer for Tankers, Air Force Life Cycle Management Center, United States Air Force	3

APPENDIX

PREPARED STATEMENTS:

LaPlante, Dr. William A., joint with Maj Gen John F. Thompson and Maj Gen James J. Jones	31
--	----

DOCUMENTS SUBMITTED FOR THE RECORD:

[There were no Documents submitted.]

WITNESS RESPONSES TO QUESTIONS ASKED DURING THE HEARING:

Mrs. Noem	53
-----------------	----

QUESTIONS SUBMITTED BY MEMBERS POST HEARING:

Mr. Forbes	57
Mr. Langevin	58

**AIR FORCE PROJECTION FORCES AVIATION PROGRAMS
AND CAPABILITIES RELATED TO THE 2015 PRESI-
DENT'S BUDGET REQUEST**

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
SUBCOMMITTEE ON SEAPOWER AND PROJECTION FORCES,
Washington, DC, Wednesday, April 2, 2014.

The subcommittee met, pursuant to call, at 3:30 p.m., in Room 2118, Rayburn House Office Building, Hon. J. Randy Forbes (chairman of the subcommittee) presiding.

**OPENING STATEMENT OF HON. J. RANDY FORBES, A REP-
RESENTATIVE FROM VIRGINIA, CHAIRMAN, SUBCOMMITTEE
ON SEAPOWER AND PROJECTION FORCES**

Mr. FORBES. Today the subcommittee convenes to receive testimony on the fiscal year 2015 Air Force budget request regarding airlift, tanker, and bomber acquisition programs. Our distinguished panel of Air Force leaders testifying before us are Dr. Bill LaPlante, the newly confirmed Assistant Secretary of the Air Force for Acquisition.

Thank you for being here, and congratulations to you.

Major General John Thompson, Program Executive Officer for Tankers at the Air Force Life Cycle Management Center.

And, General, thank you for your service to our country and for being here today.

And Major General Jim Jones, Air Force Assistant Deputy Chief of Staff for Operations, Plans and Requirements.

And, General, also, we thank you for your service and for being here with us today.

As we assess the Air Force 2015 budget, it is apparent that sequestration has had the predictable and devastating impact that many of us in Congress have warned about over the past several years. And as troublesome as the outcome of this budget appears to many right now, this budget does not even reflect funding at sequestration budget caps, which means the picture will only get worse.

The Air Force states that this budget sacrifices capacity to meet minimum capability requirements. But I challenge that assessment. Last year, we were told by the service chiefs and Chairman of the Joint Chiefs that if one more dollar were to be taken from defense beyond Budget Control Act levels, the Department would no longer be able to meet the 2012 Defense Strategic Guidance. And yet here we are just a year later, with a budget that is in fact below Budget Control Act levels, and we are being told that the Department can still meet the 2012 strategy.

At some point soon, the Department has to stop with the rhetoric and fancy gimmicks that conceal true sequestration impacts if we are to have any hope of maintaining the world's finest military beyond the near term. This budget request is detrimental to the Air Force because they are already starting from a point of disadvantage, with current readiness at 38 percent, and the abysmal pace of recapitalization over the years to replace our aging fleet of 38-year-old bombers and 49-year-old tankers. And those are just averages. The B-52 bomber fleet is over 50 years old, and the KC-135 tanker fleet is over 60 years old.

This budget request preserves the Air Force top three modernization programs, two of which fall within the jurisdiction of this subcommittee, the new KC-46 tanker and the new Long Range Strike Bomber. These are extremely vital programs that will be key enablers in giving the joint force access and freedom of maneuver in highly contested warfighting environments. It is important that we keep these programs on track, and thus far it appears the Air Force is making stride in efforts to do just that.

It is also important that we continue to modernize and upgrade our existing fleet of tactical airlift to keep those aircraft relevant, capable, and accessible. One of these upgrade efforts that became a victim of budget cuts in fiscal year 2013 was the legacy C-130 Avionics Modernization Program. After investing more than \$1.5 billion to develop and test this program, it was disheartening to see it shelved by the Air Force just as it was going into low-rate production. While we agree that hard choices have to be made, we disagree on this outcome, and look forward to working with you to see how we can affordably restore this critical legacy C-130 modernization effort, supporting mostly the Air Force Reserve and Air National Guard.

I again thank you for being here to testify, and look forward to your testimony. And with that, I turn to my good friend and ranking member, the gentleman from North Carolina, Mr. McIntyre.

STATEMENT OF HON. MIKE MCINTYRE, A REPRESENTATIVE FROM NORTH CAROLINA, RANKING MEMBER, SUBCOMMITTEE ON SEAPOWERS AND PROJECTION FORCES

Mr. MCINTYRE. Thank you, Mr. Chairman.

And thank you, gentlemen, for being with us today, and for your commitment and your service. In welcoming Dr. LaPlante, Major General Thompson, and Major General Jones, we greatly appreciate your service to our country. And it is always a privilege to have you come before us.

Today's hearing, we know, covers the major acquisition programs in the Air Force: bomber aircraft, airlift aircraft, and tanker aircraft. And while the Air Force did make some adjustments to these programs, there appears in the fiscal year 2015 budget to be adequate funding, which I want to make sure that we define that term appropriately, to maintain our current aircraft fleet in those areas, and allowing some for modernization, but at a slower pace.

For example, the new budget appears to show that it is not going to retire any bomber aircraft, includes significant funding upgrades to the B-1, B-2, and B-52 bomber fleets, and also keeps on track the new Air Force bomber, the Long Range Strike program. Also

concerns we have about C-130J Hercules and the modernization of the C-5 Galaxy, the budget continues the production of the C-130J and modernization of the C-5.

And finally, in the area of tanker aircraft, the KC-46 program appears to be on schedule and will enter low-rate production in 2015, assuming that the test program proceeds as expected. Production of the KC-46 will allow the Air Force to finally begin replacing the 40-year-old KC-135 aircraft fleet, which I know we have had concern with the tankers at Seymour Johnson Air Force Base, which borders my district in North Carolina. We know these old aircraft can over time become very difficult to maintain, and we hope that we can keep the KC-46 on track to reduce some of the risk we have seen recently with KC-135 in a recent crash that occurred in May of 2013.

So while the overall budget request for these programs appears to continue as we would want, there are still areas of concern. For example, the Air Force has stated that, unless it gets relief from the sequestration in 2016, it will propose to retire the entire KC-10 tanker aircraft fleet. We know our current tanker fleet is in demand, it is constantly in demand, and rightly so needs to be available to support our other aircraft platforms. The prospect of losing these aircraft is very troubling.

Also have concerns about sequestration, as my good friend Chairman Forbes knows, and I share the concerns that he has expressed with regard to how our Air Force can continue to do the fine job that we know you all are committed to doing given certain budget issues and restraints. We look forward to your testimony and addressing these and other issues that you may wish to raise before us.

And with that, Mr. Chairman, I thank you very much.

Mr. FORBES. Thank you, Mike.

And as each of you gentlemen know, this is probably one of the most bipartisan committees that we have in Congress, a very bipartisan subcommittee. We have a lot of respect for each other. So we may have some questions that kind of come in different directions here. But it will all be to get to the conclusions that we feel we need to get to, to do our markup.

Dr. LaPlante, thank you again for being here. It is my understanding you are going to start us off. And your written testimony will be made a part of the record, without any objection. And we would love to hear your comments now.

STATEMENT OF DR. WILLIAM A. LAPLANTE, ASSISTANT SECRETARY OF THE AIR FORCE FOR ACQUISITION, DEPARTMENT OF THE AIR FORCE; ACCOMPANIED BY MAJ GEN JOHN F. THOMPSON, USAF, PROGRAM EXECUTIVE OFFICER FOR TANKERS, AIR FORCE LIFE CYCLE MANAGEMENT CENTER, UNITED STATES AIR FORCE

Dr. LAPLANTE. Thank you, Chairman Forbes. I will make a few comments, and then also ask General Jones to make some comments, too. And thank you, Mr. Chairman, thank you, Ranking Member McIntyre, thanks to the other members of the distinguished subpanel. Thanks for what you do and the importance of the questions you are asking us, and the interest that you have.

I think we all are on the same side on the tough stuff we have in front of us.

I am joined here next to me by General J.T. Thompson. General Thompson is of course the Program Executive Officer for Tanker for the Air Force. And next to him is General Jones, the Assistant Deputy Chief of Staff of the Air Force for Operations, Maintenance, and Requirements.

We are here to talk about the 2015 budget. The 2015 budget, as both of you already said in your introduction, had those very tough tradeoffs that were essentially between the readiness today, are we ready to go to war today globally with a force that can fight and win, with the investment for the future, and how does one take risk in both places. Because it is all about risk. And those are very, very difficult decisions to make. And that is really what we have here and what we are talking about here in the 2015 budget, and probably even more importantly than what happens beyond 2015 and 2016 and beyond.

So I would say, going back to the fall, I want to just perhaps start on some good news and some thank you. Last fall, I had the privilege of testifying in front of the HASC [House Armed Services Committee] when we were still in the midst of sequestration. This was October of 2013. And as we all remember from those times, the services were in a very difficult spot having to find the dollars for sequester just now, both in 2013 and 2014, and we were almost living on a month-to-month basis on what the rules were. It was a very difficult situation, as you all remember, and we were having to choose between two things you don't want to choose between, which is operations and sustainment, essentially readiness today, flying hours, weapon system sustainment, the depots, turns out the furloughs of our civilians was out of that account, versus the modernization, the RDT&E [research, development, test and evaluation] and procurement, our future.

Those are two choices nobody wants to make. But the fact is that is what we were having to do. Almost as bad as the dollars was the issue of the instability and not knowing how to plan. As you all well know, part of our business for the taxpayer and the warfighter is doing things like multiyear contracts, putting together performance-based logistics contracts that are more than 6 months. Knowing what systems we are going to sustain versus divest helps us make the right decisions for the taxpayer. All of that was the situation in October.

The BBA [Bipartisan Budget Act of 2013] changed a lot of that. I am going to talk about what it changed, but also about what it didn't change. The BBA, thank you for the BBA, probably more than anything else it helped us with that stability. It has allowed us to know what our budget is this year in 2014, and it allowed what we can plan for in 2015.

It also primarily helped us begin to turn the corner—it is not going to happen overnight—to put a downpayment back on fixing readiness. Mr. Chairman, you talked in your opening remarks about the situation with readiness. If the BBA did one thing beyond the stability, is it is going to help us start to attack that again. And as all of you know, that is not going to be done overnight, but at least we can try to turn the corner on that.

In the case of the Air Force, the BBA was able to help us a little bit on one of those three high priority programs the chairman talked about. We were at risk of losing about four to five F-35s under the sequester number in 2014 as well as 2015. The BBA allowed us to at least mitigate having to lose those airplanes.

But mostly what the BBA does, again, is bring us the stability and allows us to make the downpayment on the readiness. So again, thank you and thanks to the Congress for doing that. I can't tell you how much of a difference it makes just in the atmosphere or the planning and the planners at the Pentagon knowing we have something to plan for, even in the year we are in.

But here is what the BBA does not do: It does not fundamentally change the situation in the long term in terms of force structure that the Air Force has to plan for. As has been said by the Chief and the Secretary, we are going to be a smaller Air Force, that is true BBA, no BBA, and if we return to the sequester level numbers in 2016 and beyond, as we have very specific force structure and technology issues that will not likely make it in the budget.

An example that has already been mentioned by the chairman is the KC-10. Another example is, I think there are as many as four to five tankers that we have, if we get the President's budget in the outyears of the FYDP, that we would not be able to afford if we were to go back to the sequester number. We also will not be able to invest in some exciting engine technology that is both cost savings and efficient. And then some Global Hawk upgrades. So there are a series of things that will not happen if we do go back to that sequester number. It is still real and that has not changed, that has not changed with the BBA.

So, again, thank you for holding the hearing. I hope we can answer all of your questions, we can give you what went into the decisions, what the difficulties are with the decisions, and we can have a dialogue and work on this hard problem together. So, again, thank you, Mr. Chairman, and thank you, the rest of the committee.

[The joint prepared statement of Dr. LaPlante, General Thompson, and General Jones can be found in the Appendix on page 31.]

Mr. FORBES. Thank you, Doctor.

And, General Thompson, it is my understanding that you do not have any opening remarks. I don't want you to think we are skipping over you sitting there.

General THOMPSON. No, sir, I am not offended in the least.

Mr. FORBES. Good.

And, General Jones, we would love to hear from you now.

**STATEMENT OF MAJ GEN JAMES J. JONES, USAF, ASSISTANT
DEPUTY CHIEF OF STAFF FOR OPERATIONS, PLANS AND RE-
QUIREMENTS, UNITED STATES AIR FORCE**

General JONES. Thank you, sir. And, Chairman Forbes, Ranking Member McIntyre, and the other distinguished members of the subcommittee, I also want to thank you for the opportunity to come speak with you, to express our concerns, and to address questions that you may have as we work together on the difficult days ahead of us.

As you have heard both our Secretary and our Chief of State previously, when we were building the fiscal year 2015 budget there were no easy choices, as you have already heard Dr. LaPlante allude to. So in this fiscal environment we have been forced to divest fleets and cut manpowers that we would have preferred to be able to retain. This fiscal year 2015 PB [President's budget] total force decision that we put forward resulted in increased near-term risk, but we did that in order to fund the most critical recapitalization and modernization programs and place our Air Force on a course towards a more capable force in 2023 and the uncertain years ahead.

Now, of all the undesirable options that we evaluated, our analysis shows that the choices this budget proposes represents the least overall increased risk to the Air Force's ability to accomplish our full range of missions. And if we are forced to reverse force structure divestment decisions without any additional long-term increases in funding, then we are likely going to have to reverse some of the things that Dr. LaPlante talked about in terms of our efforts to increase readiness and some of the modernization programs that we have in place to pay those bills for the larger force. And that will likely leave us less ready and less viable in meeting national defense requirements both now and in the future.

So while the BBA did offer welcome relief in our ability to protect our near-term readiness, the fiscal constraints we still face force us to look for areas to decrease capability or capacity with the least increase in risk towards accomplishing that broad range of missions I mentioned earlier that we may be called upon to perform.

Within the tanker, the airlift, and the bomber fleets, some of these include reductions in crew ratios across various platforms, taking some of our combat-coded aircraft and putting them into a BAI [backup aircraft inventory] or backup status, reducing or delaying some of the modernization efforts, and divesting aircraft where we have excess capacity. We looked at our air refueling fleets, and we initially considered divesting the KC-10 with our proposal, largely driven by the fact that the KC-10 ownership costs are expected to increase dramatically as commercial carriers around the world divest the DC-10, which results in increased costs to us to maintain the commercial equivalents.

If we do return to the BCA [Budget Control Act] level funding, we will likely be forced to revisit that KC-10 decision in order to garner savings of about \$2.6 billion in the outyears. It is \$2.3 billion in the FYDP [Future Years Defense Program] and \$2.6 billion in the outyears.

So as we look to some of these difficult choices, to give you a comparison of savings in terms of other mobility aircraft, if we turn there, to achieve that same level of savings for divesting the KC-10 fleet, it would take an equivalent of divesting about 152 of our KC-135s. So that is about 34 percent of our tanker fleet. If we didn't want to do that because of the criticality that we have mentioned before in terms of the tankers, it would take our entire C-5M fleet, all 52 of those, to meet the equivalency, or we could take about 80 of our C-17s to meet that, which is about 37 percent of our airlift capacity.

So, again, none of those are good choices, and they all come in significant increased risks to our ability to do our tasks. So the KC-10 divestiture, if we have to go there, we think would incur the least amount of additional risk. And that is just one example of the things that we have tried to work our way through as we balance the portfolios.

Additional funds, as Dr. LaPlante said, provided by the BBA do allow us to retain that KC-10 fleet with our PB, but the KC-46 acquisition still remains critical to maintain our affordable and effective air refueling capability. So in order to begin recapitalizing that aging fleet, we do remain committed to bring the KC-46 fleet online. And the KC-46 remains essential to our overall strategy and remains our number one mobility acquisition program. And as we bring that aircraft online, in turn we will begin to retire the KC-135s on a one-to-one basis in the outyears as we build up to our requirement of 479 total tankers.

In our strategic airlift fleet, we assume some risk in our airlift capacity by placing portions of our C-5 and our C-17 fleet in backup inventory status. As we do that, we believe we are still capable of meeting national security requirements, but our margin of error continues to decrease. One area where we know we can save money as we look at these while incurring minimal risk is in our C-130 portfolio. Our mobility capabilities assessment study determined that there is no scenario associated with the current defense strategy that requires the current fleet of 358 C-130s. And as such, we propose to retire 47 aircraft in this budget submission, which is consistent with DOD [Department of Defense] guidance to divest excess capacity.

In the fiscal year 2015 budget we also focus on recapitalizing and modernizing our mobility fleet where we can. Where possible, we sought to do both, but when compelled by the fiscal limitations we chose to recapitalize in order to be ready for the future. Along with the KC-46 procurement, we will continue to procure C-130J aircraft, as well as key modernization programs for the C-130s, 135s, C-17s, and C-5s, in order to meet the required FAA airspace access requirements. These programs are important for us to continue to ensure that we can provide rapid global mobility anywhere in the world.

So our Air Force continues to strategically invest in our long-range bomber fleet of B-52s, B-1s, and B-2s. This budget funds a fleetwide upgrade of all of our 76 B-52s with the Combat Network Communications Technology, or CONECT system, which provides secure line-of-sight and beyond-line-of-sight communications, key situational awareness upgrades, and machine-to-machine conventional retargeting capabilities that we believe are critical to operations in the Pacific theater.

In addition to the B-52 upgrades, we are going to look at the 1760 data bus for the Internal Weapons Bay Upgrade, which enables the carriage of our J-series, or smart preferred munitions, such as JDAM [Joint Direct Attack Munition], JASSM [Joint Air-to-Surface Standoff Missile], and the Internal Weapons Bay, and enables carriage of the critical JASSM-Extended Range [JASSM-ER] that we intend to field in 2017.

The fiscal year 2015 PB also invests in modernizing the B-1B with increased capability via new electronics and the Integrated Battle Station program, which combines three different modification programs into a single installation line. By doing this, it enables us to provide the B-1 with a completely upgraded cockpit, modernized communications, and minimizes impact to the B-1 fleet during that upgrade timeline. The budget also makes key investments in preferred long-range munitions such as the JASSM-ER that I mentioned, which will be carried in large numbers on the B-1 bomber.

The fiscal year 2015 PB continues to fund the B-2's Defensive Management System [DMS] Modernization. However, with budget constraints we were forced to defer that completion by about 24 months. When fielded, DMS will enable the B-2 to continue to penetrate dense threat environments via improved threat location and identification capabilities, allow real-time rerouting, and improve survivability against enemy advanced integrated air defenses.

Our budget proposal also continues to support the Common Very-Low-Frequency Receiver program for the B-2, which adds survivable communications capability to the B-2. And finally, the Flexible Strike program on the B-2 rehosts weapons software into the new integrated processor units, which provides a foundation for future weapons capability upgrades, and also includes future carriage of the B-61 Mod 12 nuclear weapon.

So, again, the Air Force's fiscal year 2015 budget prioritizes readiness, recapitalization over modernization of legacy systems to build a bridge to a more ready, capable force for 2023 and beyond. A return to the sequester level funding will result in an Air Force that is unable to fully execute our defense strategy. In order to continue to support national strategy and defeat the advancing threats, we must continue investments in our top recapitalization and key modernization programs, while gaining and maintaining full-spectrum readiness.

So, again, I thank you for your support that you continuously provide to our Air Force, and your support to our airmen and our families, and I look forward to your questions.

[The joint prepared statement of General Jones, Dr. LaPlante, and General Thompson can be found in the Appendix on page 31.]

Mr. FORBES. General, thank you for your comments. I have about three questions I need to get for the record, but I am going to defer my questions until the end, make sure our members get all their questions in. So at this time I would like to recognize my good friend Mike McIntyre for any questions he may have.

Mr. MCINTYRE. Thank you.

Briefly, and thank you for running through your testimony Major General Jones, I want to just clarify, so the President's budget shows a considerable increase to the \$913 billion in the funding commitment to the Long Range Strike Bomber program. Can you clarify for us or elaborate on what this increase in funding signals for the program's schedule as far as staying on schedule or keeping within what we need to have accomplished in the time period required?

General JONES. Yes, sir. So we do have that in 2015 and about \$11.7 billion across the FYDP, and our intent is to still field the long-range strike variant in the mid-2020s as scheduled.

Mr. MCINTYRE. All right. And the Air Force has a stated goal of a cost of about \$550 million per aircraft for the new Air Force bomber. Some have questioned the feasibility of that very low target cost. How confident are you in that cost target? Dr. LaPlante, you may be able to answer that.

Dr. LAPLANTE. Yes. Well, I would say right now, which is it is easy to be confident now with the following caveat: That we are so early in the program, that so far so good, but it is very early in the program.

The \$550 million number, what is important about that is that, as we say with the LRS [Long Range Strike Bomber], with the bomber, we are being very disciplined in the requirements on what that bomber will do, will need to do, and any change to the requirements. And it has been very disciplined since the program was started in 2010. Including in that discipline is we are being ruthless on focusing on the costs per airplane now while they are beginning the design. So in other words, if one is designing to a number versus designing to something else and then a number is thrown on of how much it should cost later, it is a very different approach.

So the \$550 million, which refers to—being a physicist, I always have to give reference points; if it is decibels I have to tell you what it is referring to—550 is fiscal year 2010 dollars, and that is the average price per unit, and that assumes we have 80 to 100 bombers that we ultimately will build.

So what we have done is we put that marker in the sand, and we said design to that. Design to that. And that is driving, if you will, the fixed requirements side of this bomber. And so that is the way it is being done, and so far we are optimistic. But I would—I would be very cautious to say if I wasn't optimistic this early in the program, we would have a problem. So it is so far, so good.

Mr. MCINTYRE. Thank you. Thank you.

Were you going to comment? Was there another comment?

General THOMPSON. No.

Mr. MCINTYRE. Okay. All right. Thank you.

Mr. FORBES. Thank you, Mike.

Now we recognize Mr. Runyan for 5 minutes.

Mr. RUNYAN. Thank you, Chairman.

And, gentlemen, I know you probably know where I am going. Obviously, I represent Joint Base McGuire-Dix-Lakehurst, so the KC-10 is something that is there. I had the opportunity this morning to be in the presence and have a meeting with General Stough talking a little bit about moving forward.

And, Chairman, putting that out there, it is something that I am going to continue to fight for in my short time here. But I want to remind the Members of Congress and bring up, and I believe Secretary Gates said it, one of the biggest national security threats is our debt. And the fact that we still have the sequester hanging over us is Congress' inability to deal with our debt.

Now, again, now if you want to move it to the KC-10 issue, creating a readiness force structure issue further down the road. So

we have compounded one and made it a bigger problem, and we still haven't addressed the original one.

And going to that and talking about this process, General Jones, you said in your view doing the vertical cut of the KC-10 has the least amount of risk to it. Well, I ask this question to both General Thompson and General Jones: To your knowledge, how many airframes in the history of aviation have come out on time?

General JONES. Sir, I am not aware.

Mr. RUNYAN. I have heard not many.

General THOMPSON. Sir, I don't know either, but I would characterize your statement as being pretty close to accurate.

Mr. RUNYAN. And it is scary when we see, you know, the sequester thing has been thrown out there, obviously, I don't know, for lack of a better term, the incompetence of Congress to be able to address that issue is going to create a massive issue, I want to be able to say, in readiness down the road, because obviously you are going to have to make a decision.

Now, you know, if the 46 isn't ready to go, where are we at there? I know it is a hypothetical question, but it is of serious concern. And I have seen this happen so many times. We put a lot of these ideas out there and actually scare the living daylights out of people that, you know, you are going to eliminate whole wings and all that kind of stuff. It is frustrating. And I know there are no answers to any of the questions I just put out there, but I just wanted to put them out there to really say that this is a serious, serious issue. And this is one near and dear to me, but I think it is a pretty big chunk out of what, you know, the capabilities, especially that Air Mobility Command can bring to the table. And it has detrimental effects down the road.

General JONES. Sir, if I might comment. Sir, I share your concern. The reason I said that it is the least risk is that our plan right now is we maintain the KC-10, is to divest the 135 on a one-for-one as the KC-46 comes up. If in fact that we go back to sequester and we have to start looking at the KC-10 fleet, we intend to do the same type of methodology, which would be to divest the KC-10 at a rate based on the KC-46 coming online. We do incur some increased risk by doing that just due to the capabilities that you are well aware of, of the KC-10's ability to self-deploy. And that is the key thing in the Pacific, that we see that increased risk. But, sir, we would manage that divestment of the fleet based on the KC-46 coming online.

Mr. RUNYAN. I thank you for that, because I have actually tried to get that answer out of a few people in the past year and haven't been able to. So I appreciate it.

And I yield back, Chairman.

Mr. FORBES. Thank the gentleman.

And, General Jones, could you just elaborate a little bit on what Mr. Runyan said about the risk that you see that we are running in doing that? Because that is something we have not done a very good job of painting pictures.

General JONES. Yes, sir. And as you both are well aware, our air refueling fleet is critical not only to the Air Force, but to all of our joint partners, the Marines and the Navy, as well as our coalition partners. And so we do understand the requirement to do that.

Sir, we see our requirement to be about 479 tankers. That is to meet the Defense Planning Guidance with an acceptable level of risk is doing that. Sir, when I talk about increased risk, the challenge that we face, if in fact we have to divest the KC-10 and we go that route, will be managing the ramp of the KC-46, coming up with the divestiture of the KC-10.

If they both were to stay on a projected, the area that we think that we would probably see some increased risk is about a 2-year period, sir, and that is just as the KC-10 drops below a certain level, which we can give you in a classified environment. But it really is that transition point and making sure that as the KC-10 gets below a certain level if the 46 hasn't matched that level, there is about a 2-year period, sir, where we see some increased risk.

And, again, our biggest risk for the KC-10 fleet, it has the ability, while there are certainly advantages and the ability of fuel at range, because of the capacity that it carries, the largest advantage in a Pacific scenario is going to be our ability to rapidly deploy and start turning air power. The KC-10, because it can deploy, it can self-deploy, carry everything that it needs to turn and go, is where we would see that increased risk happening.

Mr. FORBES. Thank you, General.

Mr. Kilmer is recognized for 5 minutes.

Mr. KILMER. Thank you, Mr. Chairman.

I thought I would start with you, Dr. LaPlante. I am interested in acquisition reform. And I would appreciate your thoughts about what Congress can do to help you and the Air Force maximize the dollars that are authorized and appropriated to support your mission. I am particularly interested in understanding your thoughts on the increased use of multiyear contracts with prime vendors and whether or not it makes sense for prime vendors to control subcontract sourcing so long as they can demonstrate effective competition.

Dr. LAPLANTE. Thank you for the question, because we could spend many hearings talking about acquisition, acquisition reform. I will start by going to where you ended, on the specific question on multiyears. I think that done correctly, meaning with proper transparency and the like, multiyears to primes can be a very good thing for the government.

What I would caveat that to be, or to add to it would be the following. I would say, first, I think that the ability of the government to have transparency into what the prime, let's say, negotiates with their sub is more than people in the government realize. In other words, maybe too often in the past I think we have accepted not being part of understanding what the supply chain is, what the negotiated rates even are, when in fact we can be part of that, we can understand what those rates are.

And we have been doing more of this under Mr. Kendall's "should cost," where the government has been with the primes understanding what they are paying for their subs. Again, not trying to do anything other than be transparent and get the best deal for everybody. So I think that any time, in my view, the Congress hears a good case for multiyear, a good case that we have a good acquisition strategy, anything the Congress can do to help with that regard is very good.

I think the other thing I would ask, and this is perhaps a little bit general, so I would have to think about how to make it specific and actionable, but I think tracing accountability, responsibility, and authority in acquisition, and always asking ourselves the question, do we have clarity to it? Have we made it clearer with what we are doing or have we actually made it harder with what we are doing is something that would be very wise. And what I mean by that is, I have a lot of good colleagues, good friends of mine who are around the Department of Defense who will be involved in acquisition programs, and they will rightfully say, I have to be involved in it because I am held accountable, or I think I am held accountable for this piece of software engineering, or this piece of that. And they are absolutely right and they are absolutely sincere.

But the aggregate is a program manager has a lot of people trying to, quote, "help them" that feel that they are also—they think they are kind of accountable, but really at the end of the day it is the program manager and the PEO [program executive officer] that is accountable and the SAE [service acquisition executive]. So I think that that balance and that discussion is really important to have. And some of the things that we do, while well intentioned, if they are not clear as to who is actually going to be accountable, they actually can hurt.

So what I say when people ask me in acquisition do we hold people accountable, and if I don't think we do, but I think what is foundational underneath that is we sometimes are not clear as to who is actually accountable, and it is because we have a lot of stakeholders. So things that the Congress can do to help us clarify those roles and responsibilities, to say, you know, this organization can help here, this can advise here, but the accountability of the outcome is this chain would be helpful.

Mr. KILMER. Thank you.

Major General Thompson, it is our understanding that the Boeing company is actively marketing the KC-46 to our international allies. It stands to reason that it is mutually beneficial to both U.S. security strategy and to our coalition partners' success that the KC-46 be integrated in as many of our allies' air forces as possible. To what extent are the DOD and Air Force leveraging this successful program and helping increase our foreign military sales?

General THOMPSON. Thanks for your question, Congressman. I can't overemphasize how important it is to have that interoperability around the world with our allies, not just in tankers, but across our various fleets of aircraft.

The United States Air Force is doing what it can to assist the Boeing company in their marketing for both foreign military sales and direct commercial sales of KC-46 around the world. We do that in several different ways. When allies have questions about what the capabilities are with the program, or capabilities are with the jet, or what the status of the program is, we answer them to the best of our ability. In addition, we ensure that senior leadership of the Air Force that exists in the AORs [areas of responsibility] where allies are considering KC-46s for purchase are as up to speed on the program as possible.

And then, for instance, just as an example, here I believe it is next week a significant number of the air attachés from here in

Washington, DC, at foreign embassies are coming to Wright-Patterson Air Force Base to visit the Air Force Security and Assistance and Cooperation folks. What we have arranged to do during that time is have Boeing bring their KC-46 simulator and aerial refueling operator station simulator to Wright-Patterson so that these air attachés can see what the capabilities of the aircraft are and to hear a status of the program.

Mr. KILMER. Thank you.

Thank you, Mr. Chairman. I yield back.

Mr. FORBES. Mr. Wittman is recognized for 5 minutes.

Mr. WITTMAN. Thank you, Mr. Chairman.

Dr. LaPlante, Major General Thompson, Major General Jones, thank you so much for joining us today, and thanks for your service to our Nation. We deeply appreciate that.

Major General Jones, I want to ask some questions about our B-1 fleet. You know, the Air Force is required by law to maintain a B-1 combat-coded inventory of 36 aircraft, which the Air Force is doing. However, the subcommittee understands that for 3 of those 36 aircraft they don't have the same crew ratio or flying hours programmed against them as the other 33 B-1 combat-coded aircraft do. Can you explain the reason for this difference? And what risks do we incur in meeting combat commander requirements if all 36 combat-coded B-1 aircraft are required to meet presence and operational requirements?

General JONES. Yes, sir. Thanks for the question.

So my understanding, sir, is that several years ago we did, as we put our Air Force budget forward, there was a proposal to reduce down to 33. As you are likely aware, the decision was made to hold at 36. Sir, my understanding is that we have not yet, as you said, fully funded those remaining three.

Now, they are being maintained, all the modernization of those aircraft are still viable. But, sir, I will be the first to tell you that our bomber fleet and the requirements that we have to do around the globe, we don't have enough. And so there is increased risk as a part of that, which is why we need to, and are going to, look at in our fiscal year 2016 budget what it would take to be able to restore that funding.

Mr. WITTMAN. Very good. I think that is absolutely critical as we look at the challenges around the world and what those requirements are and where we are with our current bomber fleet.

Let me go back to the tanker question. I find it interesting, the USTRANSCOM [U.S. Transportation Command] requirement for a tanker fleet is at 567 aerial tankers to meet steady state and current contingency surge requirements. The Air Force requirement, as you just stated, was 479, yet our fleet only has 454 tankers in it. Can you tell me then presently where are we as far as the risk that we look at based on present fleet, present Air Force requirements, TRANSCOM requirements today? How does that risk become exacerbated then in the future if we aren't able to close either of those two gaps?

General JONES. Yes, sir. So you are exactly right. So with 455 that we have now, as we continue to bring the KC-46 on, as I alluded to earlier, as we hit 479 we will start divesting some of our legacy.

Sir, the higher number that you heard from TRANSCOM, we do have a number of different studies that are out there. That number that you referred to is from one of our older studies, the Mobility Capability Requirement Study 2016. And that number is actually at the, again, while avoiding specific discussions, if I had to characterize it, I would say it was very low risk. So it was almost an unconstrained requirement.

Sir, our 479 analysis that we have done is what I would say is probably right in the middle of the risk spectrum. And so any number that we have, so your question as to where we are right now, we still believe we can do that, but as we deviate one side or the other, it either increases or decreases that risk. In today's environment, we do not have enough money to buy every fleet to the lowest amount of risk. And so that 479, we believe, is in the heart of the envelope.

Mr. WITTMAN. Let me ask this then. At the 479 number, in a rough percentage, how far short will you fall of combatant commanders' requests and service branches' requests? Obviously, you refuel other aircraft in the air. Tell me approximately where you would fall short in those requests.

General JONES. Sir, it is difficult to give you a specific answer, because it largely depends on a number of things. So depending on where we are going to have to use those tankers in a fight, the key challenge is going to be the basing requirement, and then the proximity to the fight, because the distance requires, that is how much off-load there is to be able to give that range. So it is difficult to give you a specific number.

But, sir, what I stand by is the fact that our analysis shows that in the Defense Planning Guidance, and I know you are familiar with what those requirements are, we believe that we can meet those. But, again, as we sway either way on numbers, it will affect the level of risk that we face.

Mr. WITTMAN. In managing this tanker fleet, you talked about the options there with the KC-10 and retiring the KC-10. Give me a scenario if Congress tells, says, no, you are not going to require the KC-10, tell me what your options are to be able to manage the resources you have within that context.

General JONES. Yes, sir, absolutely. So if we do it within the mobility construct, I alluded earlier that you could take an equivalent of 152 KC-135s, sir, I don't think we can do that. That is too much of the boom availability that is out there. Again, we could look within the STRAT [strategic] portfolio and look at the C-5s. Each one of those within the mobility portfolio that we are addressing here today is a significantly higher number of risk.

So, sir, what we really have to do, if we did that, would be, as all of the dust settled and all of the programs were settled, we would have to go back and look at the remaining programs that are out there and start trying to see what we would be able to do. It is \$2.3 billion, and, again, another \$2.6 billion in the outyears. So we would have to figure out which program we could do that.

But my main message to you, sir, is that we believe in our best judgment that this portfolio as presented right now is the least amount of risk incurred. And so anything that we would do would likely increase that risk.

Mr. WITTMAN. Very good.

Thank you, Mr. Chairman. I yield back.

Mr. FORBES. The gentleman from California, Mr. Cook, is recognized for 5 minutes.

Mr. COOK. Thank you, Mr. Chair.

Gentlemen, thank you for being here today. I hope some of the questions I ask today don't reflect my age or the old corps, the old Air Force, or things like that. But we had this brief this morning, and we talked about Korea, and of course the shift now of course to the Pacific. And I am very, very concerned about the distances involved. I think the end of the Cold War, when we used to have the air alert battalions, and whether you had C-130s or 141s, or what have you, everything has changed.

I am really worried about the lift capability that we have in case something goes south, literally, in Korea, you know, whether we can transport those, I am thinking the 82nd Airborne, Army forces, 1st Marine Division, maybe even the 2nd Marine Division. These are long distances. When I was younger, it was fun to be a platoon commander, company commander, and then they made me a logistics officer. Air Force is great, but when you would start getting the manifests and all the gear that has got to go, I just don't feel good about the fact that over the years we are not going to have that time for a buildup. It is going to go very, very quickly.

And if you could address that, make me feel better about the emphasis on the Pacific and the fact that the combat windows, when we have to react, are going to be much shorter, and the impact on the craft, the civilian and Reserve air fleet, and whether we can meet those commitments.

General JONES. Yes, sir. Thanks very much.

So, again, I will keep alluding back to our analysis. As you know, we have 301 of our aircraft right now that are strategic lift. And we believe that we can go down 275 and still meet the Defense Planning Guidance.

Sir, I share your concern over the amount of lift that we are going to have to do. And as we take some of our strategic airlift and we put it over into BAI—so, for example, we are taking 16 of our C-17s and we are putting them into an attrition reserve status, a BAI status, we are taking 8 of our C-5s and doing that—sir, that will decrease about 10 percent of our required million ton miles, the main metric that we use. That is not insignificant.

However, when we look at all of the things that we are going to have to do, so, you know, we are divesting fighter squadrons, we have taken cuts in all of our portfolios, and so as we try to balance the risk across what our Air Force is going to have to be able to do, that reduction that we are looking at in both strategic lift and in the tactical lift for the C-130s we believe is the right—or is compared to the broad risk across is—

Mr. COOK. Okay. Let me ask you. I haven't looked at an op [operation] plan for Korea for years. Do you think the op plans are current now with the threat assessment that has changed in terms of time that we can meet those commitments? Obviously, the sequester, readiness, all those things there. But the op plans probably haven't changed since then. And that is what you use as the bible

when you break it out, you go in the top secret vault, you know what I am talking about. So are we up to speed on that?

General JONES. You know, Congressman, you bring up a great point. So I want to make sure that I go on the record as saying as we talk about risk in the Defense Planning Guidance, those are not the O [operation] plans that you are referring to. Those are commonly agreed upon scenarios that all of the services use. And they are different from the O plans.

Sir, your question of the O plans, are they current? Again, you know, I was on a COCOM [combatant command] staff, but I am not now. But every one of those O plans stay in revision, and they are all in different levels of that. And so what I would tell you is that the COCOM commanders will continue to upgrade those O plans as the threat environment changes.

Mr. COOK. And because of what happened with the Snowden affair and everything like that, I am sure they have to be changed just because of that. That takes time.

General JONES. Sir, it does. And we are still sorting through a lot of it.

Mr. COOK. Okay. Thank you.

I yield back. Thank you.

Mr. FORBES. The gentlelady from South Dakota is recognized for 5 minutes.

Mrs. NOEM. Thank you.

I wanted to just do a little follow-up with Dr. LaPlante on the question that Mr. McIntyre brought up about the cost of the Next-Generation Bomber. And you were talking about the discipline that has happened in the spending on what that cost would be, around \$550 million per aircraft, but your principal military deputy for acquisition was at a press conference last week and stated that of course it would cost more than that.

So how far off are we talking about? And just explain that statement that he made at that press conference to us so we can have some context as to what we are looking at as a plan for this bomber as it develops.

Dr. LAPLANTE. Right. So the headline and the bottom line is what I said earlier, and if he was here he would say the same thing. To try to explain what he was saying, I would put it this way. He was in the midst of a discussion and trying to get at people who were focusing on the particular number, and when the number would happen, and all of that, and he was trying to get people to say, look, you know, whether it is 550, don't focus on that number itself.

And so what it really is about is we are trying to remind people, look, this is 2014, this is a target we put in the sand. We use 2010 dollars, fiscal year 2010 dollars, we put this number of 550, and they are designing to that, and as our best estimates are they are on track to do that, period, end of story.

In history, how often have 30 years later have people nailed it within 1 percent? You know, it is the same as the history of, like, when is the last time we did this or did that. That is kind of not the point. And I think that is what he was trying to get people at.

And so for me as an acquisition kind of technology guy, what is clear is, and it is surprising that we don't do this enough, is we

don't sit the engineers and the concept people and the requirements people down at the very beginning of the program and say, oh, by the way, it can't cost more than this much money. So if you come up with a design that costs more than that, it is not going to work. And that is different that we are doing for this. And that is the key point.

Mrs. NOEM. Okay.

Dr. LAPLANTE. So there is nothing that has changed, nothing at all.

Mrs. NOEM. Okay. I appreciate that clarification.

And then, Major General Jones, I shared the same concerns that Mr. Wittman did as well with the B-1s. And I was just wondering if you knew and had ballparked the cost to get those 3 aircraft back up to fully manned levels like the other 33 B-1s, what would that approximate cost be? I know that you are not anticipating doing that until fiscal year 2016, but what are we looking at as a need financially to make that happen?

General JONES. Ma'am, I would like to make sure I get that number right, so if you don't mind, I will take for the record and get back to you.

[The information referred to can be found in the Appendix on page 53.]

Mrs. NOEM. Okay. That would be wonderful. You were very clear in the statement that we faced risks around the world, and we could use those bombers in the air when necessary. And so that cost would be very helpful to know what that would take.

And also, I just wanted to also talk to you about the New START [Strategic Arms Reduction Treaty] treaty. And it requires a reduced number of deployed nuclear weapons, which would require the Air Force to decertify a certain number of B-52 aircraft. And so what is the projected number of B-52s that you would decertify in order to meet these New START treaty requirements?

General JONES. Yes, ma'am. And so as you allude to, we are required to come under the 700 of deployed systems. What we would like to do is not go below 60. But ma'am, we really won't know until the whole, across the whole triad, that number has to be resolved. And so until all those deliberations are made, we don't know yet as to what the final number would be.

Mrs. NOEM. When do you think that would be?

General JONES. Ma'am, I am unprepared to tell you what that timeline is, but again, I can get back with you.

[The information referred to can be found in the Appendix on page 53.]

Mrs. NOEM. Okay. Perfect.

With that, Mr. Chairman, I yield back.

Mr. FORBES. Thank you for your questions.

Gentlemen, I have just a couple of questions and then we will have one more question.

Approximately \$200 million is included in this year's budget request for continued development of the air-launched LRASM [Long Range Anti-Ship Missile] Increment 1 missile that will be fielded onto the B-1 bomber in 2018 to fulfill an urgent operational need of the PACOM [U.S. Pacific Command] commander. Can you provide us an update of the program's progress and explain how Incre-

ment 1 will fill the PACOM commander's capability gap that currently exists?

Dr. LAPLANTE. Yeah, I can talk a bit, and then maybe turn it over to General Jones.

So I know that that is in, as you said, the B-1 is the initial target platform for that weapon, and that it has primarily been worked on the Navy side starting with DARPA [Defense Advanced Research Projects Agency]. I have familiarity with that program only because of some of my history in working on it. And it has been something that has been a dire need in the Pacific for years, frankly. And so as far as I know, it is on track to meet that B-1 as the target platform.

I will turn it over to General Jones.

General JONES. No, sir. As you allude to, sir, it will be critical to PACOM, just due to the environment that is there. And so we are watching it being developed closely. And, sir, I have no other details than Dr. LaPlante said, other than the fact that it will be an objective for the B-1.

Dr. LAPLANTE. If I could add one other thing. I do think that we should be looking at—and LRASM is a good example of increased capability, whether it is range and the like and precision, but also how many—it gets to similar with the bomber—how many of these can we actually produce? Which means we have to keep the costs down. Because we are being challenged not just by geography, as the Congressman said, but we are being challenged by, frankly, numbers. And so for weapons like LRASM, which are great weapons, we also have to think, how can we make sure we have sufficient numbers of these?

Thanks.

Mr. FORBES. In the press 2 weeks ago it was reported that your estimate for Boeing at completion of development of the KC-46 tanker is approximately \$1.1 billion above the original program estimate and above the ceiling limit of the contract. Can you provide us your reasoning for the cost growth? And will this cost growth impact the program's execution?

General THOMPSON. Mr. Chairman, thanks for the question. And by the way, that is a great question.

There is always some risk in acquisition programs, but based upon what we know today, the KC-46 program is executing as well as any acquisition program that I have ever been involved in, in 27 years. We are about 50 percent done with the development program. We have had excellent funding stability from here on the Hill and from within the Department. We have had excellent requirements stability from our warfighting brethren. We have not made any engineering changes to the design in the first 3 years since contract award.

But there is always risk. That EAC [estimate at completion] that was reported in the press here several weeks ago is basically our estimate that reflects that an increase in resources that the contractor may need to complete the work on the contract, but doesn't necessarily mean that there will be any schedule slip to the program.

From our standpoint, the United States Air Force has lived up to its obligations under the contract. We have paid all our bills on

time, we have kept the requirements stable with no ECPs [engineering change proposals] in 3 years, and we have lived up to our other support aspects of the contract. So I think it is fair and reasonable to assume that the contractor will live up to their commitments on the program and deliver on time. Regardless, the government's liability, as you correctly stated, remains capped at \$4.9 billion. So we have insulated the taxpayer from any additional cost overruns relative to development.

I guess I would just conclude by saying we are 50 percent done. I have been at this business a long time. And you have been overseeing programs like this for a long time, Mr. Chairman. We have a lot of work to go. Our design is set. Our critical design review was accomplished approximately a month ahead of schedule last year. But we are getting ready to get into flight test later this summer. We are potting our long-term sustainment strategy over the next year.

So things can happen. And I will just say in conclusion that the program office and all of the stakeholders across the Department of Air Force and the Department of Defense will flight follow this very, very closely, making sure that we deliver on time with a weapon system that is ready for war on day one.

Mr. FORBES. Thank you. I have just one last question. It is a little bit lengthier. But on March 12, we had a hearing with retired Admiral Natter and Dr. Rebecca Grant to discuss their assessment of the 2015 budget request. And during Dr. Grant's testimony she brought up three specific areas regarding the new bomber that we should consider. One, overclassification of the LRS-B [Long Range Strike Bomber] program may restrict the technical work and cross-flow that the prime contractors must go through to produce an adequate system. And she also suggested that the program should come out of the black. Number two, is the technology scope right for this bomber to accommodate its lifecycle capability growth to keep pace with future threats? And number three, is the current quantity of 80 to 100 bombers sufficient to meet future needs as legacy bombers begin to retire?

And if I could add to Dr. Grant's observation on total quantity, the decision to procure 80 to 100 bombers was made before the 2012 Defense Strategic Guidance implemented a refocus on global anti-access/area-denial environments, and the Department's pivot to the Asia-Pacific. Given the time and tyranny of distance associated with long-range strike and the number of targets that combatant commanders would likely rely upon the new bomber to engage, is 80 to 100 still the right number? And could you provide us with an unclassified assessment of Dr. Grant's observations and whether or not we need to address these in the development of our 2015 NDAA [National Defense Authorization Act]?

Dr. LAPLANTE. Thank you for the question. I will take the first two and maybe the third I will defer.

Mr. FORBES. Sorry to layer those on.

Dr. LAPLANTE. Oh, that is fine. That is fine. Thank you.

The security question is an interesting one. Had I been in front of this committee 4 years ago I might have agreed that, you know, we tend to overclassify and sometimes that hurts innovation. I

have completely changed my view, and I will just say it was influenced by my time on the Defense Science Board.

Some of you may be familiar with the Defense Science Board study on cyber and the resilient cyber-threat that was out last year. I was on that study. I am convinced as a result of 2 years of looking at cyber we are not overclassifying. We are not overclassifying. We have to protect and have to understand. What I am worried about is all our unclassified designs that are out there.

So, no, the fact that we have our crown jewels protected, thank goodness. And, again, I would not have said that 4 years ago, and that comes from 2 years of studying cyber.

On the second question, which is about the technology, the design of the acq [acquisition] strategy, as we have already discussed, is this idea of what people have called the Block A approach, where you go for the 80 percent in the first version that you deliver, the 80 percent airplane, and you keep this focus on requirements that we have talked about, including the 550 number as the baseline.

What goes along with that, though, is we have to build the runway and the ramps to put in upgrades. We have also said, rightfully so, to get to this 80 percent we are not going to repeat mistakes made in other programs by requiring the first version to be so advanced in technology that it gets pushed to the right and there is never a second version because people don't believe there will be another block.

So we are holding firm to that. But that means that we also have to hold firm to building, if you will, the next generation of technologies that hooks into the bombers, hooks into either an open architecture with new sensors, hardened spots on the wings, things where we don't know what the world is going to be and what the threat is going to be and we don't know what technology is going to be there, but we have to build it such that, and have the technology ramp, if you will, that can inject these technologies.

One of the things that I have been looking into since my short time on the job is do we have that sufficient technology ramp to feed next-generation versions, blocks of that bomber. I think in some areas we do and some areas we don't. I would rather not, and we can't talk about it more here.

But that is how I would answer that question on the technology. I think it is a good question, because the good side is that we are fielding highly mature technologies and fixed requirements. But we have to finish the deal by funding the advancements in the next versions of the block. So that is the answer to the second question.

The third, General Jones.

General JONES. Sir, when we talk about capabilities and quantities—and, again, in the follow-on session we will be able to get into more detail—so, sir, the question about 80 to 100, we absolutely believe that we need this penetrating strike capability, a long-range penetrating precision strike capability, just like we also need penetrating ISR [intelligence, surveillance, and reconnaissance]. We need to get after this anti-access/area-denial [A2/AD] threat that we continue to face and proliferates. As Dr. LaPlante said, technology is proliferating at a rate, and so where we used to have a significant technology advantage, I believe we are losing

that. So we have to look at not only the capabilities and the capacities.

But, sir, what I would offer to you is it is not just that one platform. You brought up the LRASM piece and I appreciate the opportunity to come back to that. It is a combination and we need to look at things as a family of systems. And so we need to continue to invest in the ability to not only have an airplane that can penetrate through, but to also take our legacy platforms, modernize them, and make them more survivable, plus give them the ability to do the preferred standoff munitions that will increase the tempo of kinetic effects as we also try to honor that A2/AD environment.

So what we continue to look at is not only each system, but the family of systems, which is why it is critically important that not only we keep this program on track and we continue to assess the numbers and capabilities, but we also look across our portfolio to include preferred munitions, that as we take penetrating airplanes, perhaps open a corridor, it starts to increase the viability of our legacy platforms. And the modernization efforts that we are taking with our B-1s and our B-52s will make that aircraft viable to 2040, longer for the B-2, and so we will continue to leverage those modernization efforts.

Mr. FORBES. Thank you. And I would like to welcome the gentleman from Oklahoma, Mr. Bridenstine, and ask unanimous consent that he be allowed to participate in today's hearing.

Without objection, so ordered. Mr. Bridenstine will be recognized at the appropriate time after all subcommittee members have had a chance to ask their opening questions.

It is my understanding, Mr. Johnson, that you have no questions to ask at this time.

And Mr. Conaway.

Mr. CONAWAY. No questions.

Mr. FORBES. So with that, Mr. Bridenstine, you are recognized for 5 minutes.

Mr. BRIDENSTINE. Thank you, Chairman Forbes. I appreciate you letting me sit in on this hearing. And, of course, I thank the distinguished panel for being here and answering our questions.

General Jones, I had a question for you. You are a pilot, an Air Force pilot. I just wanted to ask what kind of aircraft you flew?

General JONES. Sir, the majority of my time is in F-16s, but then I also flew tankers, AWACS [Airborne Warning and Control System], and JSTARS [Joint Surveillance Target Attack Radar System].

Mr. BRIDENSTINE. When you flew the F-16, did you have a heads-up display?

General JONES. Yes, sir, I did.

Mr. BRIDENSTINE. And did you have terrain awareness and collision avoidance equipment inside the F-16?

General JONES. Yes, sir, you had a line in the sky you could set for awareness.

Mr. BRIDENSTINE. And then how about when you talk about your heads-up display, you probably had some navigation equipment, VOR [Very high frequency Omni Directional Radio Range], TACAN [tactical air navigation], ILS [instrument landing system] equipment integrated with the heads-up display?

General JONES. Yes, sir, I did.

Mr. BRIDENSTINE. Were these systems beneficial for the safety of your aircraft and for you personally?

General JONES. Yes, sir, particularly in a single-seat aircraft.

Mr. BRIDENSTINE. Absolutely.

See, the thing that I have seen here in Congress, we have authorized funding for the Avionics Modernization Program [AMP] for C-130H. We have not only authorized the funding, we have appropriated the funding. We did that for fiscal year 2012, authorized, appropriated, went to the Pentagon, and the money never got obligated. We did it in 2013, authorized, appropriated, went to the Pentagon, never got obligated. 2014, we explicitly passed in the NDAA a prohibition on the cancellation of C-130M.

This is personal for me. I am a Navy pilot myself. I have flown aircraft that have modern cockpits and I have flown aircraft that have not so modern cockpits. And I have seen that within the Department of Defense as a whole we have, it seems, airplanes that have propellers don't get the fancy cockpits, but airplanes that have jets do get the fancy cockpits. In the Reserves and the National Guard they don't get the fancy cockpits, but in the Active Component they do get the fancy cockpits.

This seems to be a trend not just in the Navy, but also in the Air Force, and this is a challenge that I am going to take very personally, because the safety of our aircrew goes across all branches and it goes throughout the different components of the branches. And I want to hear what your commitment is to obligate the funds to make sure that AMP actually becomes a program that gets implemented in the cockpits.

And I would also say that the airplanes that I have flown, you get into different airplanes and you have all different configurations of avionics, different software within the multifunction displays, and we need standardization across the fleet. What AMP does is it standardizes C-130 cockpits for the National Guard and for the Reserve, and I would just like to hear your commitment to that.

General JONES. Sir, so a couple of things I would like to address. First of all, I want to express my appreciation for your commitment to ensure the safety of our airmen, and I thank you for your service previously as well, and that is something that we all remain very concerned about.

So, sir, as you may be aware, the AMP program has a number of elements to that. One of it is to make sure that we maintain viable in national airspace and international airspace for our AO [area of operations]. And then there are some avionics, glass cockpit, and, sir, I know you are well aware of all those.

So the first thing that we need to do, sir, I know you are aware of the IDA [Institute for Defense Analyses] study and we are waiting for the results of the GAO [Government Accountability Office] study, and once we get that study that will enable us to move out on whichever program, whichever path we take.

Mr. BRIDENSTINE. Well, hold on real quick. Because if the funds are authorized and explicitly appropriated for this specific purpose and it goes to the Pentagon and then you don't obligate the funds, do you really need to do a study?

General JONES. So, sir, what we are trying to do is figure out the best way to meet the Air Force total requirements for our Nation.

Mr. BRIDENSTINE. And you realize that by studying the best way you are intentionally going around the will of Congress?

General JONES. Sir, what we are trying to do is maximize the capability for our Nation. So if I could have just one second, sir. So as I mentioned before, the HUD [head-up display] is critical, I thought, as a single-seat pilot, but for the \$2.63 billion, as we look in this fiscally constrained environment, and particularly as we go back to the law of the land and go back to that hard BCA [Budget Control Act] level, sir, I have also flown airplanes that don't have a HUD, the [RC-135] Rivet Joint, the AWACS, the tanker, and in a crew environment there is the ability to cross-check, and, sir, I know you are well aware of that.

And so in the hard choices that we are all faced to make in this fiscal environment as we go across the entire spectrum that we have to go through, would we like to do it? Sir, there are a number of programs that we would like to do. But we are forced in this environment to figure out what are the hard choices that—

Mr. BRIDENSTINE. But real quick, there are no choices here. The money has been appropriated specifically for that purpose. There is no real choice in this matter.

I yield back. I am out of time. Thank you, Mr. Chairman.

Mr. FORBES. But the gentleman's question is a good one. One of the things that we are experiencing with all of the services is almost a separation of power situation. But when Congress does, as the gentleman mentioned, not only authorize but appropriate something, and then we hear the services come back and we are finding out whether we want to use it or not, that doesn't bode well. And so we will be looking at stronger language this time for this and other issues the same way to make sure that we don't lose that process.

I am not faulting you guys, but maybe you can take that message back over to the big house.

And Mr. Johnson is recognized for 5 minutes.

Mr. JOHNSON. Thank you, Mr. Chairman.

General Jones, the New START treaty requires a reduced number of deployed nuclear weapons, which in turn will require the Air Force to decertify a certain number of B-52 aircraft. What is the projected number of B-52 aircraft that you will decertify in order to meet New START requirements?

General JONES. Sir, that exact number will be dependent on the final resolution of the submarine-launched ballistic missiles and what we have for our ICBM [intercontinental ballistic missile] fleet. And so as we get that number, then we will be able to adjust the bomber fleet number. The New START treaty says that we could go up to 60. We would prefer not to go below that, but our final number is still yet to be determined pending the resolution across the triad.

Mr. JOHNSON. All right. General Jones, USTRANSCOM has stated a requirement for 567 aerial tankers to meet its steady state and contingency surge requirements, yet the Air Force only has an inventory of 454 tankers. What risk is the Air Force incurring by

not having the sufficient number of tankers in the inventory to meet USTRANSCOM's requirement?

General JONES. Sir, our most recent mobilities capability assessment, 18, shows that we can meet our requirements with 479 tankers. The number that you referred to earlier from TRANSCOM was from a previous study, and if I was to characterize risk it is at the far, you know, the lowest portion of risk.

We believe that 479 number, without getting into specific details in this classification level, is in the heart of the envelope of risk. And so as we bring the KC-46 on board we will continue to build from 455 up to 479, and then as we reach that number we will start to divest some of our legacy fleet to maintain that 479 number.

Mr. JOHNSON. All right.

Dr. LaPlante, your principal military deputy for acquisition, Lieutenant General Davis, was quoted in the press a few weeks ago stating that, quote, "Of course, the new bomber will cost more than \$550 million per aircraft," end quote. Can you explain to the subcommittee why you have a \$550 million cost target and what assumptions are not included in that cost figure?

Dr. LAPLANTE. Yeah. Thank you for the question. So the \$550 million number is what is called an APUC or an average price per unit cost. That number is referenced to fiscal year 2010 adjusted for inflation year dollars and assumes a quantity of 80 to 100 bombers being built over the time period that we are planning to build them.

As we have talked a little bit about in this hearing, the idea that we are holding to very firmly is to give the designers and the teams essentially a marker in the sand saying the unit cost, you know, and you have to give them the assumptions on what year you are talking about and what quantity, which we do, will not exceed this number, and 550 is the number.

So it is being used, and it is being used well, in my view, as a way to force the designers for the concepts to do the right trades so that we don't end up what we have done too often in the past where we let the requirements go where they go and let them change and then later on we come back and say, oh, we don't want it to cost more than this much money and the design has already been done.

So this is something where it is a deliberate, premeditated way at the beginning of the program to set the requirement and the unit cost firm and being disciplined in keeping to that. And in my view, we should be doing this on many other programs. I hope we would do it on munitions, for example. So that is the idea behind it.

And then my understanding of General Davis was in his discussion was trying to make that point and trying to make sure that people understood what the 550 was, which was this reference number to fiscal year 2010, and not to get people to be focused on whether the 550 itself, we were going to be above it or below it in any one year. It is the target—so far we are so good, it is very early, though—that is being used to design the airplane, and there is nothing has changed. Nothing has changed.

Mr. JOHNSON. General Jones, the Air Force is required by law to maintain a B-1 combat-coded inventory of 36 aircraft, for which the Air Force is complying with. However, the subcommittee understands that for 3 of those 36 aircraft they do not have the same crew ratio or flying hours programmed against them as the other 33 B-1 combat-coded aircraft.

Can you explain to the committee the reason for this difference and what risks do you incur in meeting combatant commander requirements if all 36 combat-coded B-1 aircraft were required to meet presence and operational requirements?

General JONES. Yes, sir, absolutely. Our bomber fleet is one of the most stressed weapon systems that we have in terms of meeting our combatant commander requirements. For the 36, as you said, the tails are fully funded for modernization. We keep the tails in a combat-coded status and will continue to modernize them.

In a previous budget deliberation we had proposed going from 36 to 33. However, in follow-on deliberations the requirement was set at 36. We do need to go back in the next budget to take a look at the dollars that it would cost to return the crew ratios and the appropriate flying hours, and that is one of the programs that we are going to look at and need to look at in 2016.

Mr. JOHNSON. Thank you, Mr. Chairman. I yield back.

Mr. FORBES. Thank the gentleman.

I would like to remind the members that as soon as we adjourn we will reconvene in 2337 for our next briefing.

And, gentleman, if there are any additional comments that any of you would like to make, as we indicated at the outset, we want to make sure this is your transcript and give you that opportunity to do it.

Dr. LaPlante, thank you for being here, and we will let you go first.

Dr. LAPLANTE. Well, I will just say thank you to the committee and thank you, Chairman Forbes and Ranking Member McIntyre and all the members. I appreciate your questions. I think they are the right questions about the tough issues we have. And as you can see, it is all about risk, and risk is hard to assess, and that is what we are really talking about here, is where to take those risks.

But thank you again, and I look forward to working with the committee.

Mr. FORBES. Thank you.

General Thompson.

General THOMPSON. Mr. Chairman, thanks so much for having us over here today to talk about things that we feel very strongly about. You know, there are thousands of tanker crew and maintainers around the world right now flying KC-135s and KC-10s. In fact, last year they conducted over 40,000 sorties, they refueled over 90,000 different aircraft, and they transferred nearly 160 million gallons of fuel to warfighters, humanitarian airlift missions, whatever, all around the world. They need a new weapon system, and the KC-46 is that new weapon system.

I am over here on a quarterly basis to update the professional staffers of this committee on the status of that program, and with your permission I will continue to do so and stop in to see you from time to time as well.

Mr. FORBES. That door is always open, General. Thank you.

And, General Jones.

General JONES. Mr. Chairman, I want to thank you and the members of the committee for giving us the opportunity to come by and talk to you. I think it is critically important that we have these dialogues with you to at least explain the logic behind what we have done, and I know that there are deliberations yet to come as to what is right for our Nation.

Sir, I thank you and I thank the committee for your passion and for your dedication towards our military services and doing what is right for us all. We all face difficult times ahead and there will continue to be tough challenges that we will have to work our way through.

But, sir, your invitation for us to come and be able to explain where we are, explain our concerns, is critical, I think, as we try to move forward in the right way. So I thank you and the committee for the support that you give all of our military members. But from a member in blue, thank you for what you do for our airmen and for our families.

Mr. FORBES. To all of you, thank you so much. We look forward to meeting with you further in 2337. With that, we are adjourned.

[Whereupon, at 4:46 p.m., the subcommittee was adjourned.]

A P P E N D I X

APRIL 2, 2014

PREPARED STATEMENTS SUBMITTED FOR THE RECORD

APRIL 2, 2014

NOT FOR PUBLICATION UNTIL RELEASED BY
HOUSE ARMED SERVICES COMMITTEE
SUBCOMMITTEE ON SEAPOWER AND PROJECTIONS FORCES
U.S. HOUSE OF REPRESENTATIVES

DEPARTMENT OF THE AIR FORCE

PRESENTATION TO THE
HOUSE ARMED SERVICES COMMITTEE
SUBCOMMITTEE ON SEAPOWER AND PROJECTION FORCES
U.S. HOUSE OF REPRESENTATIVES

SUBJECT: AIR FORCE BOMBER/TANKER/AIRLIFT ACQUISITION PROGRAMS

STATEMENT OF: Dr. William A. LaPlante
Assistant Secretary of the Air Force
(Acquisition)

Maj. Gen. John Thompson, USAF
AFPEO (Tanker)

Maj. Gen. James J. Jones, USAF
Assistant Deputy Chief of Staff
(Operations, Plans & Requirements)

April 2, 2014

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SUBCOMMITTEE ON SEAPOWER AND PROJECTIONS FORCES
U.S. HOUSE OF REPRESENTATIVES

Introduction

Chairman Forbes, Ranking Member McIntyre, distinguished members of the subcommittee, thank you for the opportunity to provide you with an update on U.S. Air Force acquisition programs. As one of our critical core missions, our joint team is committed to fielding rapid global mobility capabilities while exercising a disciplined approach to our financial resources. On any given day, the Air Force's mobility aircraft deliver critical personnel and cargo and provide airdrop of time-sensitive supplies, food, and ammunition on a global scale. As Secretary James stated in her most recent appearance to congress, "the backbone of our bomber and tanker fleets, the B-52 and KC-135, are from the Eisenhower era, and our 4th generation fighters average 25 years of age. That is why our top three acquisition priorities remain the KC-46A aerial tanker, the F-35A Joint Strike Fighter, and the Long Range Strike Bomber (LRS-B). In our [Fiscal Year 2015 (FY15)] budget submission, we have fully funded these programs."

B-1

The B-1B is a long-range, air refuelable multirole bomber capable of flying intercontinental missions and penetrating enemy defenses with the largest payload of guided and unguided weapons in the Air Force inventory. The B-1B is the only bomber that has been continuously deployed since 2001, and it remains so today.

The B-1B has initiated the largest modernization effort since production, the Integrated Battle Station, which combines three modification programs to provide enhanced capabilities in communications, navigation, and precision weaponry. The B-1B will complete this modernization effort in 2019. The first aircraft with this upgrade was delivered in January 2014

and four additional aircraft are planned to deliver in 2014. Other efforts to update the navigation and radar systems are well underway and will complete in 2015. Ongoing structural testing is validating the B-1B's service life thru 2040. Additional updates to the defensive avionics systems (electronic warfare systems), communications systems, and radar systems are envisioned to sustain the B-1B's combat-proven capability.

The B-1B has been identified as the initial platform for early operational capability with the Long Range Anti-Ship Missile, which is transitioning from a Defense Advanced Research Projects Administration (DARPA) demonstration to the Navy-led Offensive Anti-Surface Warfare Program. Integration of this weapon, coupled with the B-1B's long range, high speed, and large payload, will posture the B-1B for an important role in 'Pivot to the Pacific' scenarios.

B-2

The B-2 is the only long-range strike aircraft capable of penetrating advanced Integrated Air Defense Systems to deliver weapons against heavily defended targets. Its unique attributes of intercontinental range, precision strike, large conventional or nuclear payloads, ability to penetrate defenses, and low observable profile allow it to prosecute Nuclear Deterrence Operations, Nuclear Response, Global Strike, and Global Precision Attack missions. The Air Force will continue to modernize the B-2 to ensure it remains effective and retains its unique set of capabilities as enemy defensive systems continue to advance. Current efforts to modernize the Defensive Management System Modernization program will ensure the B-2 can continue to counter sophisticated air defense networks and operate in highly contested environments. The Air Force will at the same time continue development efforts to re-host the Stores Management Operational Flight Program software in the Flexible Strike program, which will enable the B-2 to

take advantage of advanced digital weapon interfaces such as those used by the B61-12 or the Long Range Stand Off (LRSO) weapons. The Air Force will continue development efforts to field the Common Very-Low-Frequency / Low Frequency (VLF/LF) Receiver program. It will provide a new common VLF/LF receiver for secure, survivable strategic communications capability. The Air Force will also continue fielding the Extremely High Frequency Satellite Communications and Computer Increment 1 program, a mid-life avionics upgrade to the flight management computers and digital storage and data buses. Finally, the Air Force will also continue to pursue a number of B-2 sustainment initiatives efforts to improve aircraft supportability and increase aircraft availability.

B-52

The B-52 Stratofortress is our nation's oldest and most versatile frontline long-range strategic bomber, with the last airframe entering service in the United States Air Force in 1962. The Air Force continues to invest in modernization programs to keep the platform operationally relevant and updated with state-of-the-art capabilities. B-52 major modernizations efforts include the Combat Network Communications Technology (CONNECT) and 1760 Internal Weapons Bay Upgrade (IWBU) programs. CONNECT provides an integrated communication and mission management system as well as machine-to-machine interface for weapons retargeting, for the entire fleet of 76 B-52Hs. The digital infrastructure and architecture provided by CONNECT is the backbone for 1760 IWBU's and future modification efforts. The 1760 IWBU provides internal J-series weapons capability through modification of Common Strategic Rotary Launchers (CSRLs). Both increments of this program are fully funded, and when completed will significantly increase the storage B-52's capability of to deliver JDAM, Laser-JDAM, JASSM/JASSM-ER and MALD/MALD-J weapons in the B-52H. The Air Force is committed

to modernization of the B-52 using modern technology to ensure the aircraft remains relevant through 2040 and beyond as an important element of our nation's defenses.

Long Range Strike Bomber

We are also continuing to invest in the development of the Long Range Strike Bomber (LRS-B)—one of our three top acquisition programs—to provide future Joint Force commanders with the flexibility and capacity for worldwide conventional and nuclear operations, especially in highly contested environments. We are committed to leveraging mature technologies and existing systems to deliver 80-100 affordable LRS-Bs beginning in the mid-2020s, to start replacing the aging B-1 and B-52 fleets, as they go out of service. The average production unit cost (APUC) requirement for LRS-B remains \$550M (Base Year 2010) for 100 aircraft. This APUC has played a very important role in establishing an affordable design to ensure sufficient production and a sustainable inventory of 80-100 aircraft. The LRS-B program remains on track to meet its requirements. The FY15 request includes \$913.7 million for LRS-B to continue development efforts for the program.

C-17

The C-17 is the only aircraft that combines tactical capability with strategic range into austere airfield environments. It provides our Nation unmatched flexibility to conduct direct delivery, airdrop, aeromedical, and special operations airlift missions. In September 2013, we accepted our 223rd C-17. Our partnership with Boeing is adapting processes and procedures to smartly operate in a post-production environment. In order to increase budget and schedule predictability, we are working to bundle modernization and sustainment activities. Agile and efficient software and hardware updates will pace timely readiness, safety, and capability

improvements as this premier airlift platform protects our national interests and achieves our national security objections.

The Air Force intends to utilize \$148 million in FY15 funding to continue critical modifications and upgrades to the C-17 fleet. This includes the Block 13-17 upgrade, which brings the older C-17s into a common configuration with newer C-17s. We continue to add Large Aircraft Infrared Countermeasures (LAIRCM) systems to the C-17 fleet to detect track and jam incoming infrared missiles. Our request of \$184 million in Research, Development, Test and Evaluation (RDT&E) funding will address obsolescence issue requirements for global civil airspace access.

C-5

The C-5 Reliability Enhancement and Re-engineering Program (RERP) is a comprehensive effort to improve C-5 aircraft performance, reliability, maintainability, availability, and payload capability/cargo throughput. It also enables communication, navigation, surveillance/air traffic management (CNS/ATM) operations by replacing the engines and other unreliable systems/components. Overall, one C-5A, 49 C-5Bs, and 2 C-5Cs will receive the RERP modification for a fleet of 52 C-5Ms. Aircraft availability is projected for a 75% mission capable rate two years following Initial Operational Capability (IOC). The program is currently in full rate production with 16 production aircraft delivered as of January 1, 2014. The user declared IOC had been reached on February 21, 2014.

The C-5 Core Mission Computer/Weather Radar (CMC/WxRdr) is the other major effort to modernize the C-5 fleet. It will replace the current radar system, which has severe diminishing manufacturing source (DMS) issues, and upgrade the processor of the CMC to

restore a safe operating throughput margin. The selected radar replacement is the same as the one used on the KC-46. Additionally, the current CMC cannot host additional software changes or processing requirements without further encroachment on safe operating margins. The CMC operating margin is near critical and code optimization of the existing hardware is already at maximum. Further delays in processor upgrade will increase risk of system failure. A total of 52 C-5B/C/M aircraft are planned for modification.

The FY15 President's Budget (FY15 PB) requests nearly \$332M for 11 kit installs and associated program costs. \$38.8M in RDT&E funding will support CMC/WxRdr and mission systems equipment (MSE) modifications.

Tankers

The backbone of rapid U.S. global operations is our tanker fleet, comprised of 396 KC-135 Stratotankers and 59 KC-10 Extenders. Based on the budget submitted, we expect to see about 60 KC-46 deliveries across the Future Years Defense Plan (FYDP) as part of the tanker fleet recapitalization. The KC-46A will begin to replace our aging tanker fleet in 2016, but even when the program is complete in 2028, we will have replaced less than half of the current tanker fleet and will still be flying over 200 KC-135s. Tankers are the lifeblood of our joint force's ability to respond to crisis and contingencies and are essential to keeping our Air Force viable as a global force.

KC-135 and KC-10

On average, our legacy platforms are 52 years old for KC-135 and 29 years old for the KC-10. Both airframes are frequently challenged by obsolete parts and DMS. However, with the help of both organic Air Force depots and industry, we are able to maintain both platforms as

effective weapon systems for our warfighter. We are executing several key modernization initiatives to ensure the aircraft remain viable through fleet recapitalization.

The KC-135's primary modernization effort is the Block 45 program, which addresses obsolescence, reliability and maintainability issues. Block 45 is an avionics modification that includes a new digital flight director, autopilot, radio altimeter, and electronic engine instrument displays. The program completed qualification test and evaluation in February and is postured to initiate low rate initial production (LRIP) in May 2014. Completing this program will reduce operations and maintenance costs while increasing capability.

KC-46

While we continue to sustain our current capability, recapitalizing our tanker fleet remains one of our top acquisition priorities. Overall, we are on track with the KC-46 engineering, manufacturing and development (EMD) contract, awarded to Boeing a little more than three years ago. Currently the program is about 50% complete with no Engineering Change Proposals to date. Accomplishments within the last year include: completing Critical Design Review one month ahead of contractual schedule, and Boeing starting production on all four EMD aircraft. The test program is making significant progress towards first flight of EMD aircraft #1. The program office projects the first flight event to occur this summer. Stability of requirements and funding has been a cornerstone to the program's success.

The FY15 PB requests \$777M for the ongoing KC-46 EMD effort. Most of this funding is for continuation of the tanker aircraft development. Remaining development effort includes completing the build of four EMD aircraft, preparation and startup of the integrated flight test program and continued development of the Aircrew Training Systems. EMD aircraft #2, the first

KC-46 configured test aircraft, has a projected first flight in early Current Year 2015.

Remaining work during FY15 will focus on continuing the live fire test program, collecting simulator and maintenance data, and developing technical manuals.

Last year the Air Force announced its preferred alternatives for the first three bases to house the KC-46. They were McConnell Air Force Base, Kansas; Pease Air National Guard Base, New Hampshire, and Altus Air Force Base, Oklahoma. This spring (April – May), we anticipate the Air Force will make its final decision for the first three bases. The base site activation process is underway, with the Formal Training Unit (FTU) and first Main Operating Base Site Activation Task Forces (SATAF) recently completing their first of several scheduled meetings with respective stakeholders. Additional SATAF meetings are planned for later this year.

We recognize the Nation's fiscal challenges and appreciate the subcommittee's efforts to ensure the vital KC-46 program has been authorized the funding needed to meet contractual obligations and program requirements to date. The KC-46 program continues to execute according to the cost and schedule baselines which were established with Boeing at contract award. The program's solid performance history and realistic evaluation of remaining challenges support our confident assessment that we will deliver the new tanker, ready for war on day one.

C-130

The mobility combat delivery C-130 fleet is comprised of legacy C-130H and C-130J aircraft. The C-130H and C-130Js are medium-size transport aircraft capable of completing a

variety of tactical airlift operations across a broad range of mission environments. The fleet delivers air logistic support for all theater forces including those involved in combat operations.

The C-130J aircraft, with its extended (by 15 feet) fuselage, provides extra cargo carrying capability for our combat delivery mission, compared with legacy C-130E/Hs and the C-130J (short). Special mission variants of the C-130J conduct airborne psychological operations and offensive electronic warfare (EC-130J), weather reconnaissance (WC-130J), search and rescue (HC-130J) and special operations (MC-130J and AC-130J).

We will maintain the necessary intra-theater airlift capacity by completing the recapitalization of older C-130E/H aircraft with the C-130J. The remaining legacy C-130H aircraft are being modernized to ensure fleet viability, reduce sustainment cost, and global airspace access. Current modification efforts include center wing replacement, LAIRCM, CNS/ATM, and many smaller modifications to keep the fleet combat viable into the future.

The FY14 National Defense Authorization Act gave C-130J multi-year authority. As part of the multi-year contract, the Air Force plans to procure 16 additional C-130Js in FY14 and 13 in FY15. In the FY15 PB, the Air Force requested \$36M in procurement funding for legacy C-130 fleet modifications. This includes funding for three center wing box replacement kits and a CNS/ATM program.

Conclusion

The Air Force remains committed to excellence and ensuring our global reach programs continue to reflect the needs of our Nation. I am confident the air mobility fleet and bomber modernization efforts reflected in the FY15 PB will support the mission set force in the Defense Strategic Guidance and continue to provide world class rapid global mobility to our warfighters

on the ground. In the midst of the challenges ahead we will aim to keep these programs on track and deliver these systems both as a vital capability to our forces, but also as a best value to our taxpayer. These systems will provide the future capabilities necessary to operate effectively in the national security environment of tomorrow.



BIOGRAPHY

UNITED STATES AIR FORCE



DR. WILLIAM A. LAPLANTE

Dr. William A. LaPlante is the Assistant Secretary of the Air Force (Acquisition), Washington, D.C. He is the Air Force's Service Acquisition Executive, responsible for all Air Force research, development and acquisition activities. Dr. LaPlante oversees a research and development, test, production and modernization program portfolio of over \$32 billion annually. He is also responsible for development and execution of policies and procedures in support of the operation and improvement of the Air Force's acquisition system.



Dr. LaPlante has more than 29 years of experience in defense technology including positions at the MITRE Corporation and the Johns Hopkins University Applied Physics Laboratory. He has also served on the Defense Science Board (DSB), U.S. Strategic Command Senior Advisory Group and Naval Research Advisory Committee. He has also taught as an adjunct lecturer in the Department of Mechanical Engineering at the Catholic University of America.

Prior to entering public service in 2013, Dr. LaPlante was the Missile Defense Portfolio Director for the MITRE Corporation. In this role, Dr. LaPlante led a technical team providing analytic and system engineering expertise across the Missile Defense Agency portfolio of ballistic missile defense systems. Previously, he was the Department Head for Global Engagement at the Johns Hopkins University Applied Physics Laboratory (JHU/APL) where he was responsible for all of APL's work supporting offensive military capabilities. Dr. LaPlante was a member of APL's Executive Council and served on many other Laboratory leadership initiatives. His earlier APL work included Associate Department Head of the National Security Technology Department and Program Area Manager for the Strategic Submarine Security Program.

Dr. LaPlante has also served on numerous prestigious scientific boards. He was appointed to the

Defense Science Board (DSB) in 2010 where he co-chaired a study on Enhancing the Adaptability of U.S. Military Forces and participated in studies on technology and innovation enablers, missile defense, cyber resiliency and contractor logistics. Dr. LaPlante chaired a Commander, USSTRATCOM Strategic Advisory Group study on nuclear planning factors and participated in various studies sponsored by the National Academy of Sciences, the Naval Research Advisory Committee, USSTRATCOM and the Office of the Secretary of Defense (Acquisition, Technology and Logistics).

EDUCATION

1985 Bachelor of Science degree in engineering physics, University of Illinois
 1988 Master of Science degree in applied physics, Johns Hopkins University
 1998 Doctorate in mechanical engineering, Catholic University of America

CAREER CHRONOLOGY

1. 1985, Began career at Johns Hopkins University Applied Physics Laboratory, Laurel, Md.
2. 1993 - 1998, Chief Scientist and Technical Director for several large at-sea submarine security experiments, Johns Hopkins University Applied Physics Laboratory, Laurel, Md.
3. 1998 - 2001, Program Area Manager for the Strategic Submarine (SSBN) Security Program, Johns Hopkins University Applied Physics Laboratory, Laurel, Md.
4. 2001 - 2003, Business Area Executive for Undersea Warfare and Associate Department Head, National Security Technology Department (Undersea Warfare, Homeland Security and Biomedicine), Johns Hopkins University Applied Physics Laboratory, Laurel, Md.
5. 2003 - 2011, Department Head, Global Engagement Department, Johns Hopkins University Applied Physics Laboratory, Laurel, Md.
6. 2011 - 2013, Missile Defense Portfolio Director, MITRE Corporation, McLean, Va.
7. 2013 - 2014, Principal Deputy Assistant Secretary of the Air Force (Acquisition), Washington, D.C.
8. 2014 - present, Assistant Secretary of the Air Force (Acquisition), Washington, D.C.

OTHER ACHIEVEMENTS

Defense Science Board Member
 USSTRATCOM Strategic Advisory Group Member
 Lecturer, Department of Mechanical Engineering, Catholic University of America

(Current as of February 2014)



BIOGRAPHY

UNITED STATES AIR FORCE



MAJOR GENERAL JOHN F. THOMPSON

Maj. Gen. John F. Thompson is the Air Force Program Executive Officer for Tankers, Tanker Directorate, Air Force Life Cycle Management Center, Wright-Patterson Air Force Base, Ohio. He is responsible for the planning and execution of all life cycle activities of the Air Force tanker fleet. His responsibilities include development, test, fielding and support of the KC-46 tanker system; in addition to modification and sustainment of the Air Force's tanker legacy tankers, the KC-135 and KC-10.

General Thompson entered the Air Force in 1984 as a graduate of the U.S. Air Force Academy. He has served in a variety of scientific, acquisition and logistics-oriented capacities, including staff assignments at Air Force Systems Command, Air Force Materiel Command and in the office of the Assistant Secretary of the Air Force for Acquisition. In 1996 he served as the Air Force's Lead Joint Strike Fighter Program Element Monitor.



General Thompson has been Chief of the Commodities Division, Ogden Air Logistics Center, Utah, and Chief of the Air Vehicle Division, C-17 System Program Office, Wright-Patterson AFB, Ohio. He also served as Director of Propulsion, Oklahoma City ALC, Okla.; and Chief of Staff, Air Force Materiel Command, Wright-Patterson AFB. He has commanded the 327th Aircraft Sustainment Wing, Tinker AFB, Okla., and the 303rd Aeronautical Systems Wing, Wright-Patterson AFB, Ohio, where he also served as Air Force Program Executive Officer for Intelligence, Surveillance and Reconnaissance.

General Thompson has also served as Air Force Program Executive Officer for Strategic Systems, Deputy Program Executive Officer for the F-35 Joint Strike Fighter Program, and KC-46 Program Director.

EDUCATION

1984 Bachelor of Science degree, U.S. Air Force Academy, Colorado Springs, Colo.
 1988 Master of Science degree in industrial engineering, St. Mary's University, San Antonio, Texas
 1989 Squadron Officer School, Maxwell AFB, Ala.
 1995 Air Command and Staff College, Maxwell AFB, Ala.
 1996 Advanced Program Management Course, Defense Systems Management College, Fort Belvoir, Va.
 2001 Air War College, Maxwell AFB, Ala.
 2006 National Security Management Course, Syracuse University, N.Y.

ASSIGNMENTS

1. January 1985 - August 1987, Occupational Analyst, Air Force Occupational Measurement Center, Randolph AFB, Texas
2. August 1987 - August 1988, Student, Air Force Institute of Technology, St. Mary's University, San Antonio, Texas
3. August 1988 - August 1989, Manager, International Cooperative Research and Development, Deputy Chief of Staff for Technology, Headquarters Air Force Systems Command, Andrews AFB, Md.
4. August 1989 - December 1990, Special Assistant, Deputy Chief of Staff for Technology, Headquarters Air Force Systems Command, Andrews AFB, Md.
5. December 1990 - July 1991, Action Officer, Commander's Staff Group, Headquarters Air Force Systems Command, Andrews AFB, Md.
6. July 1991 - July 1992, Action Officer, Command Integration, Headquarters Air Force Materiel Command (Provisional), Wright-Patterson AFB, Ohio
7. July 1992 - August 1994, Chief, Tri-Service Standoff Attack Missile Subsystems Development, TSSAM System Program Office, Aeronautical Systems Center, Wright-Patterson AFB, Ohio
8. August 1994 - June 1995, Student, Air Command and Staff College, Maxwell AFB, Ala.
9. June 1995 - August 1996, Chief, Acquisition Management and Policy Branch, Program Integration Division, Directorate of Global Power Programs, Assistant Secretary of the Air Force (Acquisition), Washington, D.C.
10. August 1996 - November 1996, Student, Advanced Program Management Course, Defense Systems Management College, Fort Belvoir, Va.
11. November 1996 - January 1998, Lead Joint Strike Fighter Program Element Monitor, Air Superiority Division, Directorate of Global Power Programs, Assistant Secretary of the Air Force (Acquisition), Washington, D.C.
12. January 1998 - January 1999, Executive Officer, Directorate of Global Power Programs, Assistant Secretary of the Air Force (Acquisition), Washington, D.C.
13. January 1999 - January 2000, Deputy Chief, Industrial Operations Division, Commodities Directorate, Ogden Air Logistics Center, Hill AFB, Utah
14. January 2000 - July 2000, Chief, Commodities Division, Commodities Directorate, Ogden ALC, Hill AFB, Utah
15. July 2000 - July 2001, Student, Air War College, Maxwell AFB, Ala.

16. July 2001 - May 2003, Chief, Air Vehicle Division, C-17 System Program Office, Aeronautical Systems Center, Wright-Patterson AFB, Ohio
17. June 2003 - February 2005, Director of Propulsion, Oklahoma City Air Logistics Center, Tinker AFB, Okla.
18. February 2005 - August 2006, Commander, 327th Aircraft Sustainment Wing, Oklahoma City ALC, Tinker AFB, Okla.
19. August 2006 - November 2006, Deputy Director, Strategic Plans and Programs (A8), Headquarters Air Force Materiel Command, Wright-Patterson AFB, Ohio
20. November 2006 - March 2009, Chief of staff, Headquarters Air Force Materiel Command, Wright-Patterson AFB, Ohio
21. March 2009 - March 2010, Commander, 303rd Aeronautical Systems Wing, and Air Force Program Executive Officer for Intelligence, Surveillance and Reconnaissance, Aeronautical Systems Center, Air Force Materiel Command, Wright-Patterson AFB, Ohio
22. March 2010 - September 2011, Air Force Program Executive Officer for Strategic Systems, Kirtland AFB, N.M.
23. September 2011 - July 2012, Deputy Program Executive Officer for the F-35 Joint Strike Fighter Program, Arlington, Va.
24. July 2012 - January 2013, Tanker Program Executive Officer and KC-46 Program Director, Tanker Directorate, Air Force Life Cycle Management Center, Wright-Patterson AFB, Ohio
25. January 2013 - present, Air Force Program Executive Officer for Tankers, Tanker Directorate, Air Force Life Cycle Management Center, Wright-Patterson AFB, Ohio

MAJOR AWARDS AND DECORATIONS

Defense Superior Service Medal
 Legion of Merit with two oak leaf clusters
 Defense Meritorious Service Medal
 Meritorious Service Medal with three oak leaf clusters
 Air Force Commendation Medal with two oak leaf clusters
 Air Force Achievement Medal
 Air Force Outstanding Unit Award
 Air Force Organizational Excellence Award with four oak leaf clusters

OTHER ACHIEVEMENTS

1990 Secretary of the Air Force Leadership Award

EFFECTIVE DATES OF PROMOTION

Second Lieutenant Dec. 19, 1984
 First Lieutenant Dec. 19, 1986
 Captain Dec. 19, 1988
 Major Nov. 1, 1994
 Lieutenant Colonel Sept. 1, 1998
 Colonel Aug. 1, 2002

Brigadier General Dec. 5, 2008

Major General Nov. 18, 2011

(Current as of February 2014)



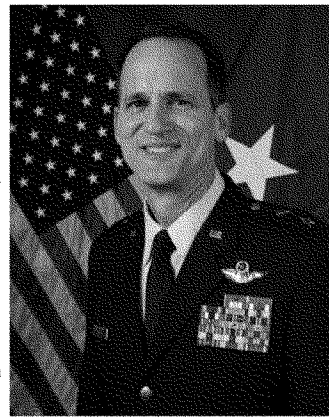
BIOGRAPHY

UNITED STATES AIR FORCE



MAJOR GENERAL JAMES J. JONES

Maj. Gen. James J. Jones is the Director of Operations, Deputy Chief of Staff for Operations, Plans and Requirements, Headquarters U.S. Air Force, Washington, D.C. The directorate is responsible for policy, guidance and oversight of Air Force air and weather operations, training and sourcing. It is the largest directorate on the Air Staff with more than 1,760 personnel, 18 divisions and three field operating agencies, including the Air Force Operations Group, Air Force Flight Standards Agency, and Air Force Weather Agency.



General Jones received his commission through Officer Training School in 1983 after graduating with a Bachelor of Science degree in music education from Louisiana Tech University in 1981. His early assignments include instructor pilot, Chief of Weapons and Tactics, and an academic flight commander at the U.S. Air Force Weapons School. He has held staff positions at the Air Land Sea Application Center and Headquarters U.S. Air Force. He has previously commanded a fighter squadron, two operations groups, an air control wing and the 55th Wing at Offutt AFB, Neb. The general also served as Commander, 380th Air Expeditionary Wing, Southwest Asia. Prior to his current assignment he was the Deputy Commander, U.S. Air Forces Central Command; Deputy, Combined Force Air Component Commander, U.S. Central Command; and Vice Commander 9th Air Expeditionary Task Force.

General Jones is a command pilot with more than 2,700 flying hours.

EDUCATION

1981 Bachelor of Science degree, Louisiana Tech University
 1989 F-16 Fighter Weapons Instructor Course, Nellis AFB, Nev.
 1990 Squadron Officer School, Maxwell AFB, Ala.

1994 Master's degree in aeronautical science, Embry-Riddle Aeronautical University
 1995 Air Command and Staff College, Maxwell AFB, Ala.
 1995 Armed Forces Staff College, Norfolk, Va.
 2001 Master of Arts degree in national security and strategic studies, Naval War College, Newport, R.I.

ASSIGNMENTS

1. May 1983 - May 1984, Student, undergraduate pilot training, 47th Flying Training Wing, Laughlin AFB, Texas
2. June 1984 - August 1984, Student, fighter lead-in training, 414th Tactical Fighter Training Squadron, Holloman AFB, N.M.
3. October 1984 - March 1985, Student, 311th Tactical Fighter Training Squadron, Luke AFB, Ariz.
4. April 1985 - March 1988, Chief of Scheduling and air-to-ground weapons officer, 496th Tactical Fighter Squadron, Hahn Air Base, West Germany
5. March 1988 - June 1991, Instructor Pilot, later, Chief of Weapons and Tactics, 58th Tactical Training Squadron and 314th Tactical Fighter Training Squadron, Luke AFB, Ariz.
6. June 1991 - June 1994, Instructor Pilot, later, academic flight commander, F-16 Division, U.S. Air Force Weapons School, Nellis AFB, Nev.
7. June 1994 - June 1995, Student, Air Command and Staff College, Maxwell AFB, Ala.
8. June 1995 - June 1997, Joint Action Officer, Air Land Sea Application Center, Langley AFB, Va.
9. June 1997 - October 1999, Operations Officer, later, Commander, 36th Fighter Squadron, Osan AB, South Korea
10. October 1999 - August 2000, Deputy Division Chief for Munitions Requirements, Headquarters U.S. Air Force, Washington, D.C.
11. August 2000 - June 2001, Student, Naval War College, Newport, R.I.
12. July 2001 - May 2002, Deputy Commander for Operations, 552nd Operations Group, Tinker AFB, Okla.
13. May 2002 - September 2002, Commander, 93rd Operations Group, Robins AFB, Ga.
14. October 2002 - May 2004, Commander, 116th Operations Group, Robins AFB, Ga.
15. June 2004 - June 2005, Commander, 380th Air Expeditionary Wing, Southwest Asia
16. July 2005 - October 2005, Special Assistant to the Commander, Warner-Robins Air Logistics Center, Robins AFB, Ga.
17. October 2005 - March 2007, Commander, 116th Air Control Wing, Robins AFB, Ga.
18. March 2007 - April 2009, Commander, 55th Wing, Offutt AFB, Neb.
19. April 2009 - June 2011, Deputy Director, Operations (J3), U.S. Central Command, MacDill AFB, Fla.
20. June 2011 - June 2012, Deputy Commander, U.S. Air Forces Central Command; Deputy, Combined Force Air Component Commander, U.S. Central Command; Vice Commander 9th Air Expeditionary Task Force, Air Combat Command, Southwest Asia
21. July 2012 - present, Director of Operations, Deputy Chief of Staff for Operations, Plans and Requirements, Headquarters U.S. Air Force, Washington, D.C.

SUMMARY OF JOINT ASSIGNMENTS

1. June 1995 - June 1997, Joint Action Officer, Air Land Sea Application Center, Langley AFB, Va., as a major
2. April 2009 - June 2011, Deputy Director, Operations (J3), USCENTCOM, MacDill AFB, Fla., as a brigadier general and major general

FLIGHT INFORMATION

Rating: Command pilot

Flight hours: More than 2,700

Aircraft flown: RC-135, E-8C, KC-135R, E-3B/C, TC-18E, F-16A/B/C/D, AT-38A/B, T-38 and T-37

MAJOR AWARDS AND DECORATIONS

Colonel Joseph A. Moller Trophy, 2009

Defense Superior Service Medal with oak leaf cluster

Legion of Merit with two oak leaf clusters

Bronze Star Medal

Defense Meritorious Service Medal

Meritorious Service Medal with two oak leaf clusters

Air Medal

Aerial Achievement Medal

Air Force Commendation Medal with oak leaf cluster

Combat Readiness Medal with oak leaf cluster

National Defense Service Medal with bronze star

Global War on Terrorism Expeditionary Medal

Global War on Terrorism Service Medal

Korea Defense Service Medal

EFFECTIVE DATES OF PROMOTION

Second Lieutenant May 17, 1983

First Lieutenant May 17, 1985

Captain May 17, 1987

Major Nov. 1, 1994

Lieutenant Colonel Jan. 1, 1998

Colonel Aug. 1, 2002

Brigadier General July 1, 2008

Major General May 1, 2011

(Current as of June 2012)

**WITNESS RESPONSES TO QUESTIONS ASKED DURING
THE HEARING**

APRIL 2, 2014

RESPONSES TO QUESTIONS SUBMITTED BY MRS. NOEM

General JONES. The cost to fully fund three combat coded B-1s will be approximately \$58 million per year. Of those costs, over \$26 million will be required for active duty officer and enlisted personnel, while \$32 million will be needed to increase the B-1 flying hour program to required levels. [See page 17.]

General JONES. Based on the New START Treaty-compliant force structure, announced on April 8, 2014, the Department of Defense will retain 46 of the 76 operational B-52Hs as nuclear-certified heavy bombers, and will convert 30 B-52H bombers to a conventional-only role, thereby removing them from treaty accountability. In addition, all 20 B-2s will remain nuclear capable, resulting in 66 nuclear capable bombers, with no more than 60 of those in deployed status from a New START Treaty perspective. [See page 17.]

QUESTIONS SUBMITTED BY MEMBERS POST HEARING

APRIL 2, 2014

QUESTIONS SUBMITTED BY MR. FORBES

Mr. FORBES. Knowing that the KC-46 tanker contract is fixed-price, how important is it to maintain funding stability for the program and what are the risks to the program if funding gets interrupted?

Dr. LAPLANTE. Maintaining funding stability to meet incremental funding requirements is paramount for the KC-46 program. Interrupting or significantly altering required funding introduces the risk of impacting the aircraft and training system contracts or other government costs which cover critical efforts like the flight test program. If the aircraft contract requires renegotiation due to funding or schedule changes, these negotiations would be conducted in a sole source environment. This could negate the near \$3B savings from the original contract negotiation, and would not be prudent from a taxpayers' perspective. Schedule delays also impact Air Mobility Command plans to introduce new operational capability and retire aging legacy tankers.

Mr. FORBES. In lieu of C-130 AMP program, the Air Force wants to develop a lesser avionics modernization capability that will not provide the required capability and reliability throughout the service-life of the C-130 aircraft to meet FAA and International airspace flight restrictions. What is the cost to develop a lesser avionics modernization program that will satisfy airspace flight restrictions to keep the C-130H aircraft relevant and capable through year 2040, its projected service life?

Dr. LAPLANTE. The January 2020 Federal Aviation Administration's (FAA) mandate for ADS-B Out is the only current airspace restriction. The fiscal year 2015 (FY15) President Budget (PB) includes funding for the C-130 CNS/ATM program which allows the C-130H aircraft to meet the FAA's January 2020 mandate. The total FY15 PB fiscal year defense plan (FYDP) funding for the program is \$178M; the program is planned to complete in FY23.

The Institute for Defense Analyses (IDA) September 2013 C-130 Avionics Modernization Analysis estimates the FY15 PB C-130 CNS/ATM program total cost at \$620M for 192 aircraft.

Mr. FORBES. Due to budgetary constraints, the Air Force deferred upgrading B-2 aircraft with a more enhanced mission planning and execution Defensive Management System. By deferring this capability, how does this affect the B-2's ability to fly in contested and anti-access/area-denial environments?

General JONES. As enemy air defenses begin to modernize and proliferate, the B-2 must also continue to modernize. The B-2 Defensive Management System modernization program will keep the aircraft viable against these future threats. Delays to the program may cause delays to the IOC which would put the B-2 and its aircrew in an increased risk environment without the best tools to mitigate the risk. More specific details can be discussed at a higher classification level.

Mr. FORBES. The Air Force plans to decrease its C-130H force structure by approximately 40 aircraft beginning in FY15 and maintain a total C-130 inventory of 318 aircraft in the near term, and 328 aircraft in the long term after the last production C-130J is delivered. Can you tell us how you arrived at the 318 and 328 numbers taking into account Army direct-support airlift requirements and their associated force structure reduction, as well as, the 2014 Quadrennial Defense Review's requirement to maintain a combat-coded inventory of 300 C-130 aircraft?

General JONES. The 2014 Quadrennial Defense Review's reference to 300 C-130 aircraft is part of the "Planned U.S. Force Structure" and doesn't in and of itself establish a C-130 requirement. This planned C-130 fleet size reflects the Fiscal Year 2019 (FY19) 328 Total Aircraft Inventory (TAI) number, which includes 300 Primary Mission Aircraft Inventory (PMAI), 26 Primary Training Aircraft Inventory (PTAI), and 2 Backup Aircraft Inventory (BAI) aircraft.

Decisions regarding C-130 force structure were driven by the fact that the Air Force has excess tactical airlift capacity. The FY13 National Defense Authorization Act directed the Air Force to retain additional intra-theater airlift aircraft above the Total Force Proposal submitted to Congress in November 2012. This established a "floor" of 358 aircraft, well above the assessed requirement of 316 during the building of the FY13 President's Budget (PB). The Air Force extended the "floor" through FY14 to create space and time for dialogue with Congress.

The Mobility Capabilities Assessment-18, published on May 1, 2013, determined "there is no surge scenario associated with the current defense strategy—even one in which a significant [Homeland Defense] event occurs concurrently with two warfights—that requires a fleet of 358 C-130s. This includes accounting for C-130s

that would be dedicated to the Army's direct support mission." In fact, the report finds that the Air Force requires no more than 320 C-130s, and as few as 248. For the Army direct support mission, these calculations utilize conclusions from a 2012 RAND study that suggests four intra-theater cargo aircraft are needed for each Combat Aviation Brigade (CAB)/General Support Aviation Battalion (GSAB) employed in a conflict. Accordingly, the Air Force has proposed to retire 47 aircraft in the FY15 PB, consistent with Department of Defense guidance to divest excess capacity. As we move forward in FY16, we will continue to evaluate options to "right-size and recapitalize" the C-130 fleet beyond the proposed reductions.

Mr. FORBES. Knowing that the KC-46 tanker contract is fixed-price, how important is it to maintain funding stability for the program and what are the risks to the program if funding gets interrupted?

General THOMPSON. Maintaining funding stability to meet incremental funding requirements is paramount for the KC-46 program. Interrupting or significantly altering required funding introduces the risk of impacting the aircraft and training system contracts or other government costs which cover critical efforts like the flight test program. If the aircraft contract requires renegotiation due to funding or schedule changes, these negotiations would be conducted in a sole source environment. This could negate the near \$3B savings from the original contract negotiation, and would not be prudent from a taxpayers' perspective. Schedule delays also impact Air Mobility Command plans to introduce new operational capability and retire aging legacy tankers.

QUESTIONS SUBMITTED BY MR. LANGEVIN

Mr. LANGEVIN. Your Principal Military Deputy for Acquisition, Lieutenant General Davis, was quoted in the press a few weeks ago stating that "of course the new bomber will cost more than \$550 million per aircraft." Can you explain to the subcommittee why you have a \$550 million dollar cost target and what assumptions are not included in that cost figure?

Dr. LAPLANTE. That requirement is \$550M in base year 2010 (BY10) dollars for the production of 100 aircraft. We have made informed trades to meet the average procurement unit cost (APUC) requirement. The APUC number does not include development cost and does not include the impact of inflation. The number has been very important in establishing an affordable design.

Mr. LANGEVIN. New START treaty requires a reduced number of deployed nuclear weapons, which in turn, will require the Air Force to decertify a certain number of B-52 aircraft. What is the projected number of B-52 aircraft that you will decertify in order to meet New START requirements? What might cause that number to shift?

General JONES. The Air Force will convert 30 B-52H bombers to a conventional only role, thereby decertifying those aircraft from the nuclear mission and removing them from accountability under the New START Treaty. The Air Force does not anticipate shifting the number of B-52 conversions and plans to implement the conversions in accordance with Section 1042 of the National Defense Authorization Act for Fiscal Year 2012.

Mr. LANGEVIN. If the Air Force is required to execute fiscal resources at Budget Control Act sequestration levels, what operational risk do you incur by having to divest the entire KC-10 tanker aircraft fleet? What other programmatic options would you have to execute if Congress prohibited the retirement of KC-10 aircraft?

General JONES. If Budget Control Act (BCA) level caps are maintained into Fiscal Year 2016 and the Air Force is forced to divest the KC-10 before sufficient numbers of KC-46s are fielded, we would have less flexibility in meeting air refueling demands across a broad spectrum of operations, resulting in fewer ready forces to support current strategic guidance. The resulting tanker force will be smaller, but still required to meet pre-divestiture air refueling demand levels. Higher tanker readiness and availability levels are required to meet the strategy.

If Congress prohibits the Air Force from retiring the KC-10 fleet, the Air Force's ability to meet the strategy will be at greater risk and we would be forced to shift critical funds from our readiness and recapitalization/modernization accounts, as well as consider reductions in other parts of our force. These may include deferring KC-46A procurement and reducing the KC-135 and the C-5 fleets. BCA-imposed cuts to our readiness and recapitalization/modernization accounts mean a less capable, smaller force that's even less ready for tomorrow's fight.